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HEROIN TRAFFICKING AND ABUSE: A GROWING CRISIS

HEARING

BEFORE THE

SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL HOUSE OF REPRESENTATIVES

ONE HUNDRED FIRST CONGRESS

SECOND SESSION

JULY 19, 1990

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(101st Congress)

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HEROIN TRAFFICKING AND ABUSE: A GROWING CRISIS

THURSDAY, JULY 19, 1990

HOUSE OF REPRESENTATIVES,
SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL,
Washington, DC.

The committee met, pursuant to call, at 9:50 a.m., in room B-318, Rayburn House Office Building, Hon. Charles B. Rangel [chairman of the committee] presiding.

Present: Representatives Charles B. Rangel, James H. Scheuer, Frank J. Guarini, Lawrence Coughlin, Benjamin A. Gilman, Michael G. Oxley, Robert K. Dornan, James M. Inhofe, and Bill Paxon.

Staff Present: Edward H. Jurith, staff director; William S. Smith, minority staff director; James Alexander, press officer; Richard Baum, minority professional staff; George R. Gilbert, counsel; Rebecca L. Hedlund, professional staff; Robyn Rosenblum, professional staff; Mary Frances Valentino, minority staff assistant; and Melanie T. Young, minority professional staff.

OPENING STATEMENT OF CHARLES B. RANGEL, CHAIRMAN

Mr. RANGEL. Good morning. It's always good to see the Assistant Secretary and this distinguished panel today. We would like to find out a little more about the aspect of the war on drugs as it relates to heroin consumption.

This committee, as you know, visited Thailand. In every country we visit, it appears as though there are bumper crops. In addition to that, we have very little control over the growing areas. Our reports, based on what information we receive from the State Department, indicate that worldwide opium production has doubled from 1988 to 1989, and that we have very little influence over those growing areas.

The street reports indicate that there is a dramatic increase in the purity of the heroin that's made available.

What we don't know, and I hope this panel can help us, is whether we will see any official reports as to increases in the use of heroin. Even though we have every reason to believe that there is an increase in heroin coming into the United States, we'd like to know where it's going and why we don't have better figures on it so that we will be able to work together to do something about it.

In my community, it seems as though heroin is now being mixed with cocaine in order to utilize the sustaining value of heroin to make the crack last longer. Our emergency wards are indicating a

dramatic increase in drug abuse. While we take some comfort in recognizing that there has been a decrease in some parts of our population in abusing drugs, especially cocaine, somehow the explosion of drug abuse in the poor community goes unnoticed.

Maybe at one hearing the administration will be prepared to inform us as to what it is really costing the United States by doing nothing in that area—not just in dollars and cents, but in terms of productivity and in having the type of work force that would have us competitive with the united Germany, the European Common Market, and an ever-growing Japanese power.

To me it's national security. The Communists appear to be trying to surrender, and yet this threat to our national security remains. So let me thank you—especially Secretary Levitsky—for the job that you've been doing here and around the world.

I'd like to yield to my partner on this committee, Larry Coughlin.

[The prepared statement of Chairman Rangel appears on p. 37.]

OPENING STATEMENT OF LAWRENCE COUGHLIN

Mr. COUGHLIN. Thank you, Mr. Chairman, and we thank the witnesses very much indeed for coming. As I have already said to them, we may have to go over to the House floor because we are having some action over there that pertains to the funding for drug treatment and drug abuse education. We may have to go over there and do some work on that.

In terms of heroin, at least from what I have been able to read, there appears to be a kind of a good news/bad news situation. The bad news indeed is, as the Chairman has pointed out, there appears to be bumper crops in various parts of the world where we have very little control, particularly Burma, which has significant heroin production.

The bad news, also, is that heroin is not just produced in one part of the world as is cocaine; it's produced in Southwest Asia, Southeast Asia, Mexico. So it's much more difficult to develop a program for heroin on the supply side than perhaps cocaine—although that's certainly difficult enough.

The good news, as I understand, at least from the statistics that we've been able to see, does not indicate the kind of epidemic of heroin use that there has been in the use of cocaine and crack—it hasn't reached that kind of epidemic proportions.

The good news is there appears to be more resistance out there, perhaps, to using heroin than there has been to cocaine and crack. Initially, at least, some people felt cocaine was a harmless drug—but there seems to be enough previously inculcated education out there to people that there is more resistance to getting involved with using heroin than cocaine and crack.

With those comments, I'll be interested to hear the witnesses' testimony and only regret that we may possibly have to leave before that's completed.

I thank you for being here.

Mr. RANGEL. I will be joining Mr. Coughlin because we do have an appropriation bill on the floor that deals with this subject matter, and we hope to make a contribution to that.

Anyone seeking recognition? Mr. Guarini?

Mr. GUARINI. Thank you, Mr. Chairman.

I just want to say that the bad news is there are 500,000 to 750,000 heroin addicts in our country. Perhaps there is more attention being given to the mixture of cocaine and heroin than ever before, which is referred to on the street as "horse." What are the medical and social costs, what are more law enforcement efforts going to cost? Are we prepared to address this level of addiction in our communities which is most costly. Although cocaine had more glamor, certainly heroin is something that is very timely that we look into at this time. Because I do feel that this is one drug—even though it may not be as glamorous as cocaine, there is still the problem of smoking, which we understand is on the increase of heroin, and that it's cheaper, purer, and more available on the streets than ever before, which means that with the supply there is going to be an increased showing up at our emergency rooms. I do feel that it's very timely and fitting that we have the hearings at this time to see what's going on, and particularly with heroin.

Thank you.

Mr. RANGEL. Thank you.

Mr. Oxley?

Mr. OXLEY. Thank you, Mr. Chairman. I have a statement that I'd like to have entered into the record.

Mr. RANGEL. Without objection.

[The statement of Mr. Oxley appears on p. 41.]

OPENING STATEMENT OF MICHAEL G. OXLEY

Mr. OXLEY. I simply would welcome the witnesses here and indicate that heroin, while it is obviously a very difficult problem with over 500,000 users; the good news is that we do know how to treat heroin addiction much more so than we do the cocaine problem. For that, we can at least be thankful that we have an opportunity to identify those heroin users and provide adequate treatment.

Frankly, part of the debate today on the floor, including the amendment offered by the gentleman from Pennsylvania and the Chairman, will deal directly with some of those treatment problems.

So I commend the witnesses and you, Mr. Chairman, for this timely hearing and yield back the balance of my time.

Mr. RANGEL. Thank you, Mr. Oxley.

Mr. Scheuer?

Mr. SCHEUER. Thank you, Mr. Chairman.

Mr. Levitsky, I noticed in your statement on page——

Mr. RANGEL. Mr. Scheuer, we haven't had testimony from the witness yet, and the Chair is recognizing you for the purpose of making an opening statement. We are very anxious to hear from him.

Mr. SCHEUER. There's little that we can do about eradication. There are too many sources produced in areas either beyond the control of the host country or beyond U.S. access, so interdiction isn't going to work, eradication isn't going to work, you've said it very candidly.

Secretary Levitsky, I would like to ask you, and hope you will tell us, are you advising the administration that there is little hope for progress from either eradication on the poppy fields of wherever, or interdiction at our borders, and that a national policy ought to be developed that will concentrate on the demand side of the equation, on reducing the demand through drug education; on increased treatment, increased rehabilitation programs?

It seems to me that the foreign policy implications that we can't eradicate the drugs abroad, we can't interdict them at the border, and it really is a domestic problem of demand.

Are you telling the administration that as candidly as you have told us that?

Thank you, Mr. Chairman.

Mr. RANGEL. Thank you, Mr. Scheuer.

Secretary Levitsky, as you know, the statements of the full panel will be entered in their entirety, without objection, and if you want to highlight them or go off in some other areas, or respond to Mr. Scheuer, whatever, feel free and comfortable to testify as you see fit.

STATEMENT OF MELVYN LEVITSKY, ASSISTANT SECRETARY, BUREAU OF INTERNATIONAL NARCOTICS MATTERS, DEPARTMENT OF STATE

Mr. LEVITSKY. Thank you, Mr. Chairman.

I do just want to summarize and provide the committee with a balance sheet, which is the most useful thing I can do on where we stand at this point.

I also want to thank the committee very much not only for its interest, which has been longstanding and very useful, but also for its important role in the diplomacy of this issue. The committee has travelled in the areas that we are most interested in and has emphasized the importance of the issue to those governments. I can tell you firsthand that your efforts have been extremely useful because they have shown these governments that it is not just the executive branch but the Congress as well that considers this to be a top priority.

I want to commend the committee for that part in our own diplomatic efforts. Thank you very much.

You mentioned national security. Drug are a national security issue. In fact, it's becoming a national security issue for every country that has this problem. Essentially, what the traffickers and the growers, whether it's in the jungles of various countries, in the mountains, or in the streets, they are saying to government authorities: "Hands off, leave us alone, we want to do our business. You're not sovereign here; we are."

They're saying it on our streets, they're saying it in Peru, they're saying it in Pakistan, they're saying it in Thailand. So it is an increasing national security issue for a number of countries. That offers us the opportunity of sustaining an international effort started against drugs and the threat to national sovereignty.

We have, to a certain extent, a great deal of support. It's increasing, and we are working internationally to try to cultivate that and make it stronger.

Let me also address Congressman Scheuer's question. Of course our main work starts at home here; there is no doubt about it. We have said this to foreign governments. They want to know what we're doing here. We have to reduce demand. We have to reduce consumption. Demand here acts as a magnet which attracts drugs.

On the other hand, we have to work on supply. Because it has been shown I think quite clearly, the more drugs that are around, the cheaper they are, the more people will use them. So we have to work on both sides of the equation.

I am not advising the administration to drop our efforts on supply—to the contrary. I am advising that we increase our efforts and increase our pressure on foreign governments to do this.

But you are absolutely right, if we don't solve and really get hold of the demand problem here, then these efforts overseas are going to be difficult at best. So that is in direct answer to your question.

Let me just briefly summarize my statement and give a balance sheet if I might. My statement will be in the record and is rather a detailed country-by-country survey. I'll try to give only some general points here.

Let me talk first about policy and what we're trying to do internationally. We want to keep the issue of drugs in general and opium and heroin at a high level of international attention. We have, I think it's fair to say, Mr. Chairman, we have brought this issue to the top priority rung of our foreign policy. It is not an afterthought. It is raised in every meeting we have with foreign governments, and it will continue to be raised.

The President has made it a priority of his administration and it is a foreign policy issue of the highest order. I think that has been a change in the way the issue was handled.

Countries understand that. They know that they have to work on drug control, if not for their own interests, for the sake of their good relations with the United States. I think that is a plus and something we want to continue to cultivate internationally.

We want, also, to provide increased assistance to and pressure on the governments of producer and trafficker countries to strengthen their own political will and their institutional capability to deal with the drug trade.

We have a number of cooperative programs; we want to strengthen those. When I give the balance sheet you will see it's a difficult situation we're dealing with. But we have a lot more responsiveness internationally, in our effort to run cooperative programs, whether it's in law enforcement, crop control, or demand reduction.

We are improving our own efforts in the key area of intelligence collection, particularly to law enforcement, and we are working to upgrade the intelligence capabilities of a number of countries that have law enforcement efforts and that are working with us.

We are going to continue to provide crop control and development assistance where these strategies can be applied effectively. I put the emphasis on "effectively." We want to make sure that the money that we spend—taxpayers' money—is used effectively and that we see a result.

We're going to expand efforts on such important issues as money laundering and control of precursor and essential chemicals. Those things are important, one at the beginning of the chain and one at

the end. If you can control more of the chemicals, you control the final product; if you control the money, you cut off the ability of the drug traffickers—who have no ideology in this except to make money—to enjoy and sustain themselves and their operations.

We have new efforts under way, which I will mention, on the chemical control area.

We also want to increase awareness in other countries of the need to reduce demand. It won't do us any good if we solve our problem at home and it continues to multiply overseas. All that will do is make our supply reduction efforts more difficult while it helps to line the pockets of the drug traffickers by providing new markets and they've tried to create them, and have been successful in many other countries. We need to work with other countries to reduce the demand.

Those are just some general questions.

Let me give a little balance sheet on where we stand right now as we see it. I will be general but I will mention some specific aspects as well.

Let's look at the negative side. First, as you've mentioned, there is tremendous growth in the production of opium and heroin. Burma doubled its crop last year by our reckoning to almost 2,600 metric tons. That would more than supply the United States and a number of other markets.

Second, there are larger shipments and even though seizures are up, because of this overproduction traffickers can afford to lose more; it's more or less written off—the cost of production.

You also mentioned the main areas of growth of opium are places where we have little access—not only we, but our friends in the producer countries often have little access. You mentioned countries like Burma, Laos, Afghanistan, areas of Pakistan, Guatemala and Mexico, and the Bekaa Valley in Lebanon. These areas where drugs are growing are generally not under the control of the local governments. As I said, the traffickers have basically said: This is our area, leave us alone. So that is a problem we continue to struggle with.

Burma has caused a great deal of pressure on her neighbors—all around—because of the overproduction, and the lack of attention to a program. Now you find countries like Thailand, Malaysia, China, India, Bangladesh, struggling to cope, often with uneven efforts with the situation that they have little control over because it is in Burma.

Corruption continues to plague enforcement efforts throughout the world. We have emphasized the need to deal with this in our diplomatic contacts. We have tried to work on this but drugs mean money, and money means temptation and corruption. We see this in countries that are working with us, in fact—Thailand, Pakistan, India and Mexico—they themselves have their efforts plagued by this problem of corruption. Sometimes it's endemic built into a system that has been transferred to the drug issue. It is something that plagues our efforts and something that we must continue to confront along with those countries that have the problem.

We also have, in addition to corruption, credible reports of trafficking by official government institutions in some countries. We've seen this in Burma, we've seen this in Laos, and we've seen this in

Afghanistan, as well as in the Syrian controlled Bekaa Valley. I would say that this is an even more serious problem than corruption itself.

There is also, as I mentioned, a growth in heroin abuse in some of the developing countries. The growth markets in this area seem to be in countries other than the United States. Pakistan, by its own reckoning, now has 1 million addicts—10 years ago there were almost none. But this abuse is growing also in places like India and Iran.

Finally, I would note that heroin, by its nature, is a higher value product than opium. It's more difficult to control because smaller quantities bring higher amounts of money, and concealment is easier.

Let me, however, just briefly go to the plus side because there are some good things that are happening as well. First, our crop control projects in places like Pakistan and Thailand—and I would mention this to Mr. Scheuer in particular—continue to be successful. We believe we are holding the line in Pakistan in terms of a lower amount of growth which we saw last year; and preliminary indications are that there's going to be even a further reduction in Thailand this year. So that's good news.

I've visited the areas, as you have, and I think our projects and those projects of the United Nations and in some cases those from other countries, seem to be taking hold; that is, alternative crops, alternative development. It is worth the investment. It can't work every place, but it works in areas where the Government does have a certain amount of control and we've seen some success.

Further, I would say we continue to have cooperative efforts in law enforcement despite a spotty record in Thailand, Pakistan, and Hong Kong in particular, Malaysia and in Mexico.

I would say another bright point is the Laos situation—at least a potentially bright point—is the Laos program. Last year we entered into a Memorandum of Understanding with Laos. They undertook to engage cooperatively with us in drug control. We have a beginning project in crop control. We in INM sponsored a law enforcement seminar. The DEA ran it inside Laos for the first time. DEA established direct contacts with law enforcement officials at high levels—this is a positive thing, but the problem is still significant. We continue to emphasize to the Lao Government that their record must improve across the board, including enforcement and cleaning up their act in terms of some of their official institutions, like some units of the army, being involved in drug trafficking.

Despite this, it's a bright point because it's a country that we did not have access to before. We now have access. We now have some cooperation going on and so we're hopeful.

We also have in a number of places like Hong Kong, new laws. In Thailand we have conspiracy and asset seizure laws moving forward into the Parliament through the first reading, so we're hopeful that they will become law soon. Prime Minister Chatchai of Thailand was here in the United States and he gave his commitment.

I was with Dr. Bennett when we talked with their newly appointed drug czar, Mr. Kon, and we have commitments on their part to

improve the effort and to do more in law enforcement—and they want to work with us.

In Burma even, I would say there are a few glimmerings. International pressure in criticizing what's happened there seems to have had at least some result. Maybe it's for show, we'll have to see, but there have been drug burnings, seizures, and the continuation of law enforcement contacts. I have sent someone from my office at a mid-political level to discuss with them our concerns. We'll see what happens, particularly as a result of recent elections. Perhaps we will have a better arrangement, a new more representative arrangement to work with—and we want to work with them.

I would also point out that we have had good results in terms of the consultations that we had for the first time with Japan last year. The Japanese, I must say, have gotten more actively involved in this issue, and they are an important player, particularly in Southeast Asia. They have sent drug missions to look at the problem. They are talking about sponsoring a conference of all the Asian countries to look at the heroin problem and how they can all work together, along with the United States.

As I'll mention, the Japanese have agreed to head the Southeast Asia Working Group in our new consultative mechanism with the Europeans and other developed countries, where we will work together to look at how we can coordinate programs better.

I would say that in Nigeria also we have some signs of hope. We have a new Drug Enforcement Agency there which we are helping to get started. We have sponsored, in conjunction with the DEA, a training seminar to get this new Drug Enforcement Agency off the ground. The Nigerians also see this as a national security issue and an issue that affects their image because of all the Nigerian drug couriers. They are beginning, I think, to take more effective efforts, and we're going to help them.

In Afghanistan we have a difficult problem. As you know, Mr. Chairman, we have had, and I personally have had, discussions with the President of the Afghan interim government—the Mujaheddin—where we stressed our interest in drug control. We have seen some results, but not enough. In the Helmand Valley, some crops have been substituted—that is poppy for wheat—and we're going to try to have an AID project there working with communities—about $12 million for crop reduction and substitution.

Another positive note, the Mexican commitment is much greater under the Salinas administration. While they have gone mostly after cocaine, cocaine and heroin have often been mixed together by the organizations in terms of trafficking. We are very happy with Mexico's renewed and upgraded commitment.

Finally, I would say internationally that we have made a lot of progress. We had the U.N. special session—Mr. Chairman, you were there and you know that it was quite successful. We have had the conference in London in April to emphasize demand reduction.

We are having an ASEAN meeting, which the Secretary of State will attend, where for the first time drugs are on the agenda formally. So that, I think, is a plus in showing interest.

We have an important new initiative, which I briefly referred to. We now have an agreement with the European Community, Canada, Japan, Sweden, and Australia—with other countries to

join—that will set up a consultative mechanism among the developed countries to consult on programs—how we can devote our resources better to the specific issues involved in drug control.

This fall we are going to have a series of meetings, based on six regional groups in Brussels; and later we will have a higher level political meeting under the Italian presidency of the European Community.

We have chairmen picked out for these groups, and we are moving ahead. This was an objective that was mentioned in the President's Drug Control Strategy, so I can say on that one, mission accomplished. We believe that this is going to be useful to our efforts particularly in heroin control, which is a major problem in Europe, as you know.

Mr. RANGEL. Excuse me, which countries are meeting?

Mr. LEVITSKY. The EC–12, that is, the 12 countries of the European Community: Canada, the United States, Japan, Australia, and Sweden, plus other countries may join.

Mr. RANGEL. Okay.

Mr. LEVITSKY. So we have this initiative for a coordinated program and better counsultation on resources allocation.

Mr. RANGEL. Who's meeting with the producing countries? That's what I thought you were saying. Who's meeting with them?

Mr. LEVITSKY. This is the developed countries trying to get their own act together with the prospect that we will bring in the producing countries. But we're not going to have an international conference; we're going to have a consultative mechanism that will allow us to try to structure our efforts better.

[The statement of Mr. Levitsky appears on p. 45.]

Mr. RANGEL. I appreciate the kind things that you've said about this committee, and we certainly try not to establish foreign policy. We want to be supportive. We really have enjoyed an excellent working relationship with the State Department, mainly because of you.

One of the major problems that we have in dealing with the producing countries is that they have the impression that no one is meeting with them.

Mr. LEVITSKY. No; I think the contrary is the case, Mr. Chairman.

Mr. RANGEL. My point is that most of these countries have enough pride that they are indicating that they don't want a lot of aid; that they would really want to be involved in trade. We go there and they tell us we've cut off coffee, sugar, and we're cutting off flowers, and that our trade agreements kind of cut them out.

I just wonder whether you feel comfortable with the amount of sanctions and incentives that the State Department has as tools to work with these countries. I'm on the Ways and Means Committee and Mr. Guarini is on the Trade Subcommittee, and we are embarrassed that when we bring up questions of drugs, that this is outside of GATT, outside of diplomatic negotiations. Really, you offend people when you bring this up.

I just wonder how comfortable you feel as you visit with these countries to tell them that—Mexico is a case in point. I don't want to offend President Salinas—the situation is far better than it used to be.

But ever since I've been in the Congress, State Department said things are better than they used to be. Ever since I've been in the Congress, the crops have dramatically increased. I've never heard any State Department type people ever say enough is enough, and that we have laws on the books. The only time we get these laws is when the President is going to certify or not certify. We recognize as politicians that Presidents, too, have to face political questions.

But I just don't know what tools you have to work with except what is working—and you mention in your testimony that their governments are being corrupted, their people are being addicted. But I don't see any of the big sticks or——

Mr. LEVITSKY. The biggest tool that you could have in any foreign policy question is if the other country believes it's in their national interest to deal with the problem; and that's what we're finding.

Mr. RANGEL. That's not because of us; that's because of the power of drugs.

Mr. LEVITSKY. That's right, that's important.

Mr. RANGEL. Well, now that you see it, what are we doing to help, that we can tell them it just makes a lot of sense——

Mr. LEVITSKY. You asked if I felt comfortable with—I would say from my, what I consider to be a narrow perspective of looking at drugs, I never feel comfortable with the number of tools we have to work this problem.

Mr. RANGEL. What can we give you——

Mr. LEVITSKY. But I think you will a number of initiatives this summer, particularly in the trade area——

Mr. RANGEL. Like what?

Mr. LEVITSKY. I can't preface these right now.

Mr. RANGEL. You treat it as a secret?

Mr. LEVITSKY. No, no, because there are decisions that are being made now. As you know, the President said he would be announcing, for example, the second part of the Andean trade package; and that's now currently under decision. It would be, I would think, announced shortly.

Mr. RANGEL. Very good. How about the free trade thing?

Mr. LEVITSKY. I think that will help to the extent that we can help boost the economies of these countries, and we make them more capable of dealing with the problem internally. After all, we can help, but we can't solve the problem internally. It has to be something that they go after?

Our effort has been to try to make their efforts more effective where we can. It's not assistance in the sense of just giving money. It's assistance in the sense of our national interest to try to have them be more capable in dealing with the problem internally.

As I said, as they identify this as more of an internal problem for them they are more anxious to do it.

Mr. RANGEL. I'm 100 percent in accord. But have you ever felt comfortable in saying that if we don't see any progress in this area, that all bets are off?

Mr. LEVITSKY. Absolutely; absolutely.

Mr. RANGEL. That's what we never hear. I know that it's nothing that you would want to have a press conference about, but you could share with us from time to time—when you feel comfortable

in telling these countries that the American people and the Congress is really fed up.

We try not to be bulls in a china closet, but this thing with Mexico and opium, there's a limit at how much we can tolerate, and at the same time, moving forward with more liberal trade agreements—dramatic trade agreements. We want to help the poor people in Mexico, but I never see the other side of this issue as to what we're asking in return for this relaxation of trade barriers.

Mr. LEVITSKY. Just on Mexico alone—and I'll be brief on this—if you look at the record of the Salinas administration on cocaine; again, I know we're talking about heroin—but you had more cocaine seized in Mexico last year than you did in the previous years. We already have almost 22 metric tons of cocaine seized in the first 6 months of this year. There is eradication going on.

Mr. RANGEL. Mr. Secretary, if you tell me that we can only focus on one drug at a time, I'll accept it, you know.

Mr. LEVITSKY. No, no, I'm not saying that.

Mr. RANGEL. But I'm talking about opium.

Mr. LEVITSKY. I'm not saying that, because there is an amount of eradication that's going on. I think that what's happened is it's a matter of their balance in their resources; and we need to get them to balance the program more—we've talked to them about that and we'll continue to do that.

Mr. GUARINI. Would you yield, sir?

Mr. RANGEL. Yes.

Mr. GUARINI. In looking at the chart over here where blue is the production of Mexico, it seems that——

Mr. RANGEL. Let me interrupt. I've just been advised by Mr. Coughlin that that bill is going to the floor, and I would ask whether or not you would be willing to Chair the hearing.

Mr. GUARINI. I'd be very delighted.

Mr. RANGEL. Thank you very much.

Please forgive us. It is a drug-related appropriation bill on the floor and it will affect some of your offices.

Mr. GUARINI [presiding]. Good luck on the floor, Mr. Chairman.

Mr. Levitsky, in looking at the chart here, why do you say that there are more drugs seized in the Salinas administration than ever before?

Still in the opium production, it seems as though there's more production than ever before. As a matter of fact, it's at an all-time record high. So everything being relative, they may have seized more but there is still perhaps by far more being produced in Mexico than in any other previous year; is that a fact, by this chart you have on the left?

Mr. LEVITSKY. That is a fact. They have eradicated more but there was more to deal with. If you look at the historical pattern, they did a lot of eradication in the late 1970's and 1980's, and the growers moved into less accessible areas—so there's more to deal with.

Mr. GUARINI. Right.

Mr. LEVITSKY. By our reckoning, the crop is higher even though they eradicated more through the fleet that we help support.

Mr. GUARINI. So in that game, it may well be zero, in spite of the Salinas administration.

Mr. LEVITSKY. In fact, by our reckoning, it's gotten worse, in terms of the production.

Mr. GUARINI. That's right.

So, therefore, it's of little use they produced more if the situation is more aggravated and exacerbated than before? So, therefore, the Salinas administration, as well meaning as it is—and I do have a lot of faith in President Salinas—they are not making any headway.

Mr. LEVITSKY. On the opium side, it has not been a good record.

Mr. SCHEUER. Will you yield?

Mr. GUARINI. I will in one second.

I just want to point out, sir, then on the other chart on the right, it seems as though there is as much coming in from Mexico in 1989 as there was in 1988; and perhaps the figures today are just as serious as it was where you have 29 percent of all the opium coming in from all over the world. That much alone comes in from Mexico.

Mr. LEVITSKY. That's right.

I didn't want to, by the way, monopolize this because my colleagues also have statements particularly on the demand side and the law enforcement efforts we're doing.

Mr. GUARINI. I understand.

Mr. Scheuer?

Mr. SCHEUER. Just a footnote on this point my colleague is making. Our domestic experience exactly mirrors the point my colleague is making, that it's meaningless to say that you've made these kind of busts and so forth, because no matter how much you pick up, the fact is there's an exponential increase in production. So even though you can talk about the busts—as he did—there's more of the stuff available.

Our drug czar, Mr. Bennett, has a predilection for announcing with great fanfare from time to time, an enormous bust—they pick up a boat, they pick up a ship, they pick up an aircraft, they pick up cars, or trucks, whatnot. They arrest pilots of aircraft. That's announced with great fanfare. They picked up $30 million worth of cocaine, heroin, crack, whatever.

They never announce that while all this is going on—busts of aircraft, ships, pilots, whatnot—production is increasing exponentially, and that all of these drugs are available freely—I mean widely available—in every town, hamlet, village, city, in America.

So the net result on the bottom line is that our interdiction efforts and eradication efforts on the poppy fields of wherever have failed.

When you consider the fact that drugs are freely available anywhere in America, you can't really take our interdiction efforts very seriously.

But Mr. Bennett and other Federal officials have a distinct predilection for making these announcements of busts with great fanfare as if they have the remotest significance. They don't have any significance. They only deter us from analyzing and addressing the main problem, which is demand.

There are three problems: demand, demand, demand. You can do something about demand through drug education—a massive drug education program in the schools. You can do something about rehabilitation. You can do something about treatment.

When we get to the point where any addict who wants to shake the habit and who calls up a hotline for help, finds a slot available for him in treatment, then we know we've made serious progress.

Mr. GUARINI. Could the Chair interrupt?

Mr. SCHEUER. Yes.

Mr. GUARINI. I know that Mr. Gilman and Mr. Oxley also have questions, but I think it would be perhaps procedurally proper if we had the testimony from the other gentlemen and then we will go into a round of questions and statements.

I'd like to ask Dr. Herbert Kleber, Deputy Director for Demand Reduction in the Office of National Drug Control Policy, if you would be good enough to go forward with your statement. Dr. Kleber?

STATEMENT OF HERBERT D. KLEBER, M.D., DEPUTY DIRECTOR FOR DEMAND REDUCTION, OFFICE OF NATIONAL DRUG CONTROL POLICY

Dr. KLEBER. Thank you, Mr. Guarini.

I appreciate the opportunity to testify on the subject of heroin. I've been involved in the treatment and prevention of heroin addiction over the last 25 years. While the control of the epidemic use of crack cocaine remains our first priority, the history of drug use in our country, especially over the past century, gives us clear warning that we always need to be vigilant to the threat of a new epidemic to prevent another outbreak of rampant drug use.

So that I'm pleased, even as we are involved in a crack epidemic, that we're giving serious attention to the threat of an increase in heroin use. Let me depart from my notes for a minute, however, to comment on Mr. Scheuer's comment that interdiction doesn't seem to have an effect—recently what we've seen, because of some of the efforts in the Andean area, is a sharp rise in the price of cocaine across America and a sharp drop in its purity in a number of metropolitan areas.

Nevertheless, let me get back to heroin. As you've heard from Secretary Levitsky and as you will be hearing from the DEA from Mr. Caffrey, there's been a bumper crop of opium in the recent years, flooding the world drug market with an increased supply.

DEA and other law enforcement agencies have detected an increase in the purity and the supply of heroin on the streets. What makes this increase in the purity and availability of heroin especially dangerous is its timing. Every stimulant epidemic that I'm familiar with has been followed by the increased use of sedatives. Stimulants like crack cocaine wear people out; it leaves them feeling nervous, paranoid, irritable, and restless. Stimulant addicts reach a point where they just can't take it anymore, and as a result, often turn to sedatives like heroin to calm their nerves as well as to achieve a more mellow high.

Moreover, part of the allure of crack cocaine is that it is convenient to use because it's smokable. No dirty needles, no risk of AIDS. Although certainly what we've been seeing in some areas is the trading of sex for crack, which is increasing the risk of AIDS.

Unfortunately, the increased purity of heroin on the street as well as the type—the oily type—means that it, too, can be smoked.

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Some drug users who previously stayed away from heroin due to fear of needles and infection may be more willing to smoke it than they were to inject it.

Given this apparent increase in heroin purity and availability, the pattern of widespread sedative use following previous stimulant epidemics, and the appeal smokable heroin may have for a drug-using population used to smoking crack cocaine, I am indeed concerned that heroin may become a greater problem in the not too distant future.

In fact, in 1988, in an interview I gave to a major psychiatric news publication, I predicted that in the early 1990's we would have a rise in heroin, a drop in cocaine, and a rise especially in smokable heroin. So this is something that the treatment and prevention community has seen coming for at least 3 years.

Nevertheless, while I believe concern is warranted, at this time it does not appear that alarm is. Both history and the data that I have seen suggests that while there may be a significant rise in heroin in the next few years, the numbers will not be near the scale of the current crack epidemic.

Two of our most important indicators—DAWN and DUF—have not yet shown a significant increase. We recognize that these indicators lag behind the initiation of use and so it may be that an increase in heroin use has not yet been detected and its use may well go up in the months ahead.

However, the idea that we're facing a dramatic outbreak is not yet borne out by the facts.

We have factors working in our favor. An increase in supply does not necessarily lead to an increase in demand. Currently, the use of all illegal drugs appears to be down. Epidemiologic data from NIDA and other surveys suggest that while people perceive an increased availability of cocaine and other drugs, fewer people are trying them and fewer people are continuing to use them. So that we see with appropriate demand reduction endeavors, you can have decreased use even in the face of increase in perceived availability.

I would attribute this in large part to the fact that drug use is becoming denormalized—it's no longer tolerated the way it was in the 1960s, 1970s, and early 1980s. Americans now understand that drugs, including heroin, are dangerous, and to use them risk losing your job, your health, your family. The general population is learning not to trust the siren call of drugs, including heroin, that promise something for nothing.

Another factor in our favor is that heroin is still recognized as a dirty, highly addictive, and unsocial drug. The perception common when the cocaine epidemic began was that the drug was clean, easy to use, and not addictive. It's hard to imagine large numbers of influential men and women of Wall Street or Hollywood doing heroin at pool parties. While it is not impossible that heroin could become glamorized and more popular among some groups, it does not easily lend itself to becoming the drug of choice.

We do, however, need to avoid headlines such as this (news article shown) which came out in the last week or so which have the potential of changing that and are too reminiscent of the cocaine chic that we had a decade ago. I deplore headlines which say "Opium, a rare expensive high," which imply the same kind of

safe, sexy, seductive drug that cocaine was a decade ago. I implore the media to show more responsibility in their use of such headlines.

The recent data that we have seen concerning the use of heroin confirm that the vast majority of the people using heroin today began their use in the 1960's or 1970's. We are however, seeing somewhat of an increase in people using cocaine shifting over to heroin—first via use of speedballs, where they mix the two, and then eventually to heroin alone. But I am not aware of any information—anecdotal or scientific—that shows a rise in the number of non-habitual drug users who are initiating heroin use.

Let me reemphasize that point. There are two groups we need to worry about: those currently using cocaine who may shift over to heroin, and those who are not yet using illicit drugs who may begin heroin. Our data does suggest an increase in that first group; but so far, at least, not an increase in the second—not an increase in the number of new initiates.

There are reports of modest increases in heroin addicts seeking drug treatment, and emergency room mentions and deaths. But as far as I can tell from my contacts with NIDA as well as my colleagues in the field, the number of addicts seeking treatment is increasing because of the aging of these addicts rather than new initiates entering the field. The longer addicts are on heroin, the older they get, the more likely they will seek treatment on their own, or be compelled to seek it by the criminal justice system.

The increased purity of heroin that is on the street is probably responsible for the increase in the emergencies and deaths attributable to heroin.

So what do we have?

The picture I have painted of the possibility of a future heroin epidemic is mixed—some good news and some bad. I do not advocate, however, a "wait and see" attitude. It's clear that the Federal Government needs to keep its eye on this and to do everything it can to reduce the possibility that the Nation will face a significant upswing in heroin use.

The first thing we need to do is to monitor the situation diligently, and here we need much better data than we currently possess.

In addition to continuing the DAWN and the DUF indicators—the one being the emergency room, the other being drug use among those arrested for crimes—we're making major improvements in the national household survey. We will conduct that more frequently—every year instead of every 3 years. The numbers surveyed will be sharply increased, over double. New surveys of major metropolitan areas will be conducted as will be surveys of previously undercounted groups such as the homeless and those incarcerated, where heroin use is more likely to be an issue.

We will also continue to employ the Community Epidemiology Working Group, which helps us pinpoint regional trends in drug usage. NIDA has also set State level Working Groups now in 14 States which utilize locally based researchers and program officials.

The newly established client treatment data system will enable us to monitor overall trends better and to identify shifts and patterns in risk groups.

The threat of widespread heroin use in the 1990's is a good example of why long-term prevention and treatment efforts are needed. If lapses in our memory of previous drug epidemics are responsible for their recurrence, then prevention and education are necessary to provide new generations with the reasons drugs are bad and examples of the devastation drugs have wrought. Vigilance throughout the next century in this regard is imperative. The lessons of my colleague at Yale, David Musto, the eminent psychiatrist and historian, need to be taken into account.

That's why the President's Drug Control Strategy is seeking $1.2 billion for prevention activities, an increase of nearly 70 percent over 2 years, to expand and improve prevention programs in schools, and colleges; to support the creation of community partnerships; to help public housing communities expel drug dealers; and to help young people lead drug-free lives.

Treating addicts, those who are already in trouble with drugs, whether it's heroin or cocaine, is also a major priority in the President's Strategy.

The good news, as has already been alluded to by a number of individuals, is that we know more about the treatment of heroin addiction than we know about cocaine addiction. The treatment system ironically remains more geared to heroin treatment than to any other kind of drug dependence.

To expand and improve it, the President's Drug Strategy is seeking $1.5 billion, a 68-percent increase over 2 years. The money, both block grants and categoricals, would increase direct aid to the States, and greatly increase projects to demonstrate ways to improve the quality of treatment—through centralized intake systems, more effective coordination of citywide treatment programs, the development of large multimodality treatment campuses, testing of innovative treatment programs for offender populations, and other methods—done through the Office of Treatment Improvement.

We also need desperately legislation to greatly improve the accountability of States and treatment programs through State Treatment Plans. We recognize that legislation to accomplish this passed both houses of Congress last year, but was stalled in committee. I would urge you to give us whatever support you can to get that legislation again. It would require each State to carefully and methodically assess its treatment needs and then show how their treatment plans are geared to dealing with those in need.

We are pursuing a stepped up pattern of research that will give us new drugs with which to treat the heroin problem. Within the next few years we should have available for widespread use a drug called LAAM, which is a long acting form of methadone that will last 3 days, and will obviate a lot of the problems of take out and diversion.

Depot naltrexone—is another new agent. Naltrexone, a narcotic antagonist, is in some ways a better drug than methadone in that it does not have any narcotic properties. Right now it's available in a pill form that can last up to 3 days. The new form would be by injection that would last for 1 month and would block the effects of narcotics for that period of time. We're hopeful it will come on line within a couple of years.

Finally, buprenorphine, a fascinating new agent with some agonist and antagonist properties which is showing potential to treat both heroin addiction and individuals who are dually addicted to both heroin and cocaine.

The possibility of increased heroin use makes clear the necessity for continuing and expanding our medication development efforts.

That concludes my formal statement.

I would just like to add a few words, if I might, to indulge your patience. I realize that in many ways I'm preaching to the choir here, but I would like to put my remarks in the public record.

The subject of this hearing, the spectre of heroin in unprecedented quantities and purity reaching our shores, just as we're beginning to make headway against cocaine, is of critical importance to our Nation. It's imperative that we take the actions necessary to head off a major increase in heroin usage. Yet, an appropriations bill, H.R. 5257, scheduled for a vote on the floor of the House today would severely impair our ability to combat the heroin threat. This bill cuts more than $230 million from the President's budget request in the areas of treatment and prevention. Upwards of 100,000 drug addicts would not receive treatment. Dozens of communities across the country would be denied the opportunity to organize against drugs. $54 million would be cut from drug-free school programs. Fewer school children would have the benefit of drug education or classrooms.

We can't fight the formidable adversaries as heroin and cocaine with our hands tied behind our backs. These cuts, if enacted, would make our efforts much more difficult. I fear their consequences. I appreciate your efforts—I know that Congressmen Rangel and Coughlin are going to the floor now to do something about that. I appreciate that as well as the efforts of you all to provide us with these adequate resources.

So on that, let me conclude my statement. I will be pleased to answer any questions.

Mr. GUARINI. Thank you very much, Dr. Kleber.

You are absolutely right, Mr. Rangel and Mr. Coughlin are on the floor trying to get that money restored for treatment, and we hope that they will be successful. We will be voting on that perhaps today sometime.

Mr. Ronald Caffrey, the Deputy Assistant Administrator for Operations of DEA.

I first want to congratulate you, I understand that this is a new title. We look forward to working with you, Mr. Caffrey. Begin, please.

STATEMENT OF RONALD CAFFREY, DEPUTY ASSISTANT ADMINISTRATOR FOR OPERATIONS, DRUG ENFORCEMENT ADMINISTRATION

Mr. CAFFREY. Thank you, Mr. Chairman, members of the committee. I am very pleased to be here today to discuss the worldwide heroin situation and DEA's efforts with regard to that.

I would like to read in to the record a brief summary of the heroin situation.

The seriousness of heroin in the United States has increased progressively since 1980. In the past 4 years, both the supplier of heroin and the purity of that supply have increased steadily. A special DEA monitoring program in 1989 revealed that the street level purity of heroin was 35 to 40 percent in two major east coast cities—New York and Philadelphia—and more than 50 percent in Newark and in Boston.

This is extremely high compared to the traditional street level purity of 3 to 5 percent in these cities just a few years ago.

This pronounced concern regarding the heroin situation in the United States is directly related to the drug trafficking situation in the three major source areas in the world, namely, Southeast Asia, Southwest Asia, and Mexico.

While opium production has doubled in the past 4 years increasing in each of these areas, total production reached over 4,000 metric tons in 1989 up from 1,400 metric tons in 1985.

Southeast Asia continues to be the world's major producing area for heroin. Opium production in Southeast Asia has risen steadily primarily because of ideal weather conditions. This year the decrease in antinarcotics operations in Burma and better techniques in poppy cultivation have contributed to this situation.

Highly organized Southeast Asian trafficking groups are supplying the United States with significantly larger shipments of heroin. Annual domestic heroin removals quadrupled between 1981 and 1989. In the last 2 years, more than 50 percent of the heroin seized in the United States was from Southeast Asia compared to 14 percent in 1985.

In response to the direct result of the increasing impact that Southeast Asian heroin is having on the United States, in 1989, DEA initiated a long-term joint intelligence enforcement program with the ultimate goal to decrease the availability of Southeast Asian heroin in this country.

The basic purpose of this special enforcement program [SEP] known as King Cobra, is to immobilize major Oriental narcotics trafficking of Southeast Asian heroin to and in the United States.

Our enforcement activities under this program are directed at the highest levels of these criminal organizations in an attempt to disrupt the flow of heroin and to prosecute the trafficking groups controlling it.

During the third quarter of fiscal year 1990, these activities were responsible for the arrest of 161 primary traffickers, the seizure of over 639 kilograms of Southeast Asian heroin, and the seizure of over $2 million in currency and over $2 million in real property and other assets.

King Cobra draws on resources from both within DEA and from other enforcement and intelligence agencies in the United States and abroad.

King Cobra has also funded several additional initiatives such as a water interdiction program on the Andaman Sea and a financial investigations program directed at the Chinese underground banking system.

A similar long-term joint intelligence and enforcement program, Operation Bulk, was also initiated in 1989 and is aimed at decreasing the availability of Southwest Asian heroin in the United States.

With some of the opium produced in Southwest Asia and consumed within Afghanistan, Iran, and Pakistan, a large quantity is refined into heroin for illicit use worldwide.

The Southwest Asian heroin trafficking organizations in the United States are based primarily at the major ports of entry. However, the distribution networks filter into almost every major city in the United States.

Under the umbrella of SEP and several other special enforcement operations, we target more specific trafficking organizations, for example, special enforcement operation Venus targets the major Venezuelan based Sicilian trafficking family that controls heroin distribution networks in the United States, Canada, Italy, England, and Switzerland.

Special Operation Cuisine is directed against the resurgence of clandestine heroin conversion laboratories in France and Italy, which impact directly on the United States.

Operation Soup Bowl targets the highest levels of Nigerian African criminal organizations trafficking Southwest Asian and Southeast Asian heroin in the United States.

The primary source of heroin for African organizations, primarily Nigerian and Ghanan, continues to be Pakistan and India. The latest trend has seen Nigerian traffickers going to Bangkok to obtain Southeast Asian heroin for distribution worldwide.

Since 1986, DEA has conducted a special enforcement program focused on the increased trafficking of Mexican heroin in the United States. This operation is known as Columbus. It has recently been expanded to target opiates from Colombia and Guatemala.

Special enforcement program Columbus recognizes the strong nexus between Mexican trafficking networks and the opium producers in Guatemala. Mexico is a major producer of opium and continues to be a primary source of heroin entering the United States. In 1989, net production of opium from Mexico totalled 85 metric tons.

In Guatemala, it is estimated that production of opium last year was approximately 12 metric tons. The processing of Guatemalan opium into heroin hydrochloride has been occurring in the Mexican states of Chiapas, Guerrero, and Michoacan.

Our charts basically reflect the remarks which I have made, and I would be very happy to answer any questions that you may have with respect to DEA operations as it relates to the heroin traffic.

[The statement of Mr. Caffrey appears on p. 57.]

Mr. GUARINI. Thank you very much, Mr. Caffrey.

In regard to the chart, it seems quite obvious that virtually half of everything that comes into our country comes from the bumper crops that are being realized in the Golden Triangle, which is Burma, Laos, and Thailand.

Mr. CAFFREY. Yes, sir.

Mr. GUARINI. Is there any reason why there is such a tremendous introduction of these drugs into the United States when there is still huge production from the other areas that's available? Why are we receiving so many drugs in the United States from that particular part of the world?

Mr. CAFFREY. Well, clearly there is more of it available for export to the United States; the purity levels are quite high for

that particular drug, so it is a desirable drug for that limited community of heroin consumers in the United States.

Mr. GUARINI. So you're saying that the purer heroin opium that's coming in from——

Mr. CAFFREY. Well, the heroin is a purer form; it's a more desirable form.

Mr. GUARINI. You refer to the plant that was grown—it's a better plant that is grown. But are there other reasons? Are the laboratories or the techniques better in that part of the world?

Mr. CAFFREY. I believe there is just more available of the existing amounts of heroin which come from the three-source areas into the United States, the larger volume of it comes from Southeast Asia. So that is what finds its way into the traffic, particularly in the traditional consuming cities such as New York. We're finding in New York City, for example, the dominant laboratory analysis—50 percent or sometimes better—seems to be Southeast Asian heroin.

We have what we call a ballistics or a signature program, which our chemists are able to determine by virtue of comparing the manufacturing ingredients in heroin, the diluents and so forth, at what the source or the origin of that particular base in opium.

Mr. GUARINI. Is the chemical knowledge in the chemical laboratories and the techniques that are being used more skillful and modernized?

Mr. CAFFREY. I don't know that they are more skillful; I just think that they have been doing this for some period of time. Over the years we've observed that when we went back to the early days of the French Connection, certainly European heroin was more desirable than Mexican heroin because it was a purer form of the drug.

Obviously, there's a twofold reason, in my opinion, with respect to Southeast Asian and, namely, that it's a highly potent drug and there's more of it available.

Mr. GUARINI. Do you have any legislative initiatives that you think that you could bring to the table concerning what has to be done? Are you adequately staffed? Is DEA up to the task of the interdiction problem that we have facing our country?

Mr. CAFFREY. Yes; we're examining this now and have been for some period of time. We are currently developing a number of programs to work this thing smartly. We recognize that at the present time, probably 65 percent of our activity level relates to cocaine. However, we've seen this heroin problem starting to emerge over the last several years.

We have a monitor program wherein we go into a number of cities around the United States and we purchase small samples of heroin in various metropolitan areas and have them checked for what the price purity levels are.

We've done that in about 10 cities for a number of years; those cities which were traditionally the cities where heroin was mostly trafficked and consumed. We're expanding that in the very near future to about 19 additional cities. In that fashion we should have some appreciable idea as to what the total extent of use and trafficking are.

What we're also doing, and as we sit here there's a report on my desk going out to our field divisions, to all our agents in charge, to

increase the intelligence collection level, and as appropriate, the investigative level, towards heroin investigations. Right now we're running somewhere around 12 percent, which really tracks with about the number of arrests we're making in that particular category.

We will be expanding that but it's important for our focus to be very refined. We don't necessarily need to do this everywhere, but certainly in those areas where this is a problem we will increase air activity level.

Mr. GUARINI. Mr. Levitsky, is the experience that we're receiving here in the United States concerning more and purer drugs, particularly heroin on the streets in our communities, is that experience the same experience that's being experienced in Japan and in Europe, in the Common Market? Is this unique to the United States or do we have a growing problem in the other industrialized nations of the world?

Mr. LEVITSKY. It's a little hard to answer with great precision because we don't have all the facts. But my impression in our discussions with the European countries and with the Japanese and others is that there is more and more pressure in their societies, particularly because of cocaine, because we have done a better job in shielding the United States. So they are getting more pressure from the traffickers who are seeking new markets, and particularly when the price is higher in Europe, the profits go up.

As far as heroin goes, most of the European heroin, as I understand it, has traditionally come out of Southwest Asia and has gone through the Balkan route, that is through the Middle East and Turkey, the Balkans and into Europe. So that situation, I think, has remained basically the same.

I believe we are the ones who have changed in terms of the source more than the Europeans have.

One thing, however, that indicates that there is a greater problem in Europe is the concern expressed particularly in the executive branches in sponsoring legislation. Recently, for example, the Italians, who have had rather liberal drug laws, have seen a real heroin epidemic take hold in that country, and have just put through the legislature a very strong law which punishes usage for the first time with very strict penalties.

We are also getting more cooperation from the Europeans and from the Japanese—who have begun to have bigger seizures of cocaine and heroin—in terms of the international regulation of things like the chemicals used to make the drugs and like money laundering. That indicates to me that they see this as a greater problem for them as well and, therefore, more attention has to be devoted to it.

It's a situation, unfortunately, where maybe it had to get worse before it could get better. But in any case, it offers an opportunity for us to help maximize the amount of attention and effort put on this issue by a number of the developed countries, and that is a positive thing, I think.

Mr. GUARINI. Lastly, there's a great deal of success that's been realized in China that had tremendous heroin problems in its past history.

Can we learn any lessons from what has happened to China and how they resolved their problem dealing with heroin? Are they cooperating with us today?

Mr. LEVITSKY. They killed a lot of people to do it. My understanding is, and I don't have all the facts, is that one of the ways they wiped it out was to wipe out the people that were taking drugs.

So I don't believe that probably could be duplicated in the United States. On the other hand, it certainly is a——

Mr. GUARINI. That's a very serious form of treatment.

Mr. LEVITSKY. It's a very serious form of treatment. But I think it indicates that what we have been saying here is also correct, which is that the stronger the law enforcement and the more accountability that attaches to the user, the less incentive there is to take drugs.

While some people see law enforcement as separate from demand reduction, I think it has a very real role because it discourages people if they know there are harsh penalties from taking them.

In China it probably discouraged them a lot more based on the experience.

Dr. KLEBER. I'd just like to add to that, that some recent information that our office has is that the use of opiates is, again, significantly on the rise in China; and they are very, very concerned about that.

Mr. GUARINI. Thank you, Doctor.

Mr. Oxley?

Mr. OXLEY. Thank you, Mr. Chairman.

Mr. Caffrey, I was looking through the worldwide heroin situation report that came from the Department of Justice. It was rather interesting, because as we talk about the fact that heroin is more available and that it's in a purer form, the indication of the number of arrests has actually decreased. Between 1988 and 1989, for example, it went from 2,485 down to a 1989 projection of 1,216.

I would assume that if the trafficking in heroin were increasing and the purity was increasing, that there would be more people out on the street selling that and, indeed, more arrests.

Is there something I'm missing here with those charts?

Mr. CAFFREY. No; not with our arrests, I wouldn't believe. I think the relationship with our activities are that most of the type of heroin cases that we're operating on are what we call major class one investigations, which are somewhat time-consuming in terms of they don't just develop in 6 months or 1 year. So I don't think that that statistic in itself is so bothersome.

One of the points that I wanted to make before was that notwithstanding the fact that the price purity of heroin dosage units, let's say in New York, has gone up dramatically, and the street dosage unit price has gone down, which is always a bad sign. The wholesale prices of heroin in those cities has remained fairly stable over the last 4 or 5 years, which could indicate that just the percentage of the average dosage unit is higher and there may be some more addicts.

But I don't know that we're claiming here that there's any great epidemic because generally the wholesale price level is what dictates what our estimates are as to the increased availability or less availability.

Mr. OXLEY. Dr. Kleber, you mentioned the increase of heroin in China. I think it was Mr. Levitsky that mentioned Hong Kong specifically as being a major problem.

Mr. LEVITSKY. And also with great cooperation with us.

Mr. OXLEY. Would you explain that a little bit? I was under the impression from your testimony that Hong Kong represented a particularly burdensome problem for us, in terms of a transit area.

Mr. LEVITSKY. It is a problem, and perhaps Mr. Caffrey could comment on this further. What has been happening is that because of the overproduction in Burma, one of the routes that is being used now is through southern China, through Hunan Province and then through Hong Kong. So it represents a greater pressure, again, on Hong Kong and what one would call a richer enforcement environment.

At the same time, with regard to the efforts that we have and the cooperation of the Hong Kong government, that in fact has gone up. They have passed stronger legislation. They have greater ability to seize assets and that kind of thing.

So in terms of our official relations with Hong Kong, that has improved considerably and is quite good.

In terms of the problem itself, it has been exacerbated by this sending of the heroin through this southern China route and through Hong Kong.

You might want to elaborate on that.

Mr. CAFFREY. I don't want to elaborate on it right now.

Mr. OXLEY. Dr. Kleber, we hope that we can restore those treatment funds that were cut in the appropriations committee. I understand there's several minutes left in general debate and then we'll get into the amendments, and those of us who are going to be involved in that debate will be heading to the floor.

But we want to thank you, first of all, for your straightforward comments. I think that given the facts, the House will restore those funds by a substantial vote today on the House Floor and I think it will get us back on track.

We can't go around and talk about demand reduction, education, treatment, and the like without facing up to the fact that we have to find the money. Indeed, we will, I think, win the day on this issue.

You also mentioned the treatment facilities and plans and the authorization for same. That, of course, continues to be hung up in the Energy and Commerce Committee—my standing committee. It is a source of frustration for those of us who thought, perhaps, that we could have passed it at the end of last year.

I know the gentleman beside me, Mr. Gilman, and others, have worked on that. Since I'm on that committee it provided some real trouble. I was hoping my friend, Mr. Scheuer, would have stayed because he also is on Energy and Commerce and I know he's involved and very concerned about demand reduction. Indeed, that is one of the areas that we could nave had a significant impact on had we moved with that kind of legislation.

Let me just ask one other question to Mr. Levitsky, and that is with Turkey specifically; not so much in Southwest Asia but specifically on Turkey since I've been to Turkey on a couple of occasions.

They have had, at least perceptually, a fairly good record on reduction of heroin.

Mr. LEVITSKY. That's right.

Mr. OXLEY. Although I am told that they are perceived as being of a transit country for heroin through truck traffic specifically, is there some way that we can provide some pressure on the Turks to better inspect those truckloads that tend to be almost unfettered in their transportation to other countries in the West.

Mr. LEVITSKY. I was Ambassador to Bulgaria, so I was part of this chain before I came back to Washington. We saw this problem grow, that is, the so-called TIR trucks. They are sealed Customs trucks; sealed on one end; not opened until they get to the other end in Europe—and they go all the way through this.

Now you can inspect some of these under certain procedures. But the regime that has grown up around this has made it a kind of negative factor; that is, it is not the normal thing to open a TIR truck.

Mr. OXLEY. What is the purpose of a TIR truck?

Mr. LEVITSKY. In the European system, apparently, it avoids delays in going through Customs in a dozen countries as the trucks move from one area to another. Of course, that makes it conducive to smuggling because you can seal it up on one end. Even in Bulgaria, though there were efforts at the time they would find trucks with hidden compartments with heroin inside. It makes control very difficult.

What I'd say about the Turks, though, is this, they are a big transit country, and they recognize that. They have been quite effective but they have a tremendous problem because of the number of trucks; some of this is not of their own creation. They don't grow much in the way of illicit opium anymore. In fact, as you pointed out, they wiped out that problem and have been very successful in controlling a legal crop that they use to export legally for opiates like morphine and codeine.

We've been working with them on training and in providing equipment, as have a number of other countries—the Germans, in particular, to give them better ways of detecting these things. But it is a tremendous problem they have. I would say probably the case that most of the heroin that gets into Europe goes through that famous Balkan route. But it also passes through several other countries. It has to go through Bulgaria, Yugoslavia, and into Europe as well. So there is a general problem there.

I've been to Turkey recently, in fact, and talked with them expanding our cooperation. They understand the problem and they see it also as a national security problem. There is a lot of smuggling across that border with Iran, for example—so the pressure is greater.

But I think they're committed and I think there's some opportunities there for us to do a better job with them, that is, by helping them more.

Mr. OXLEY. Thank you.

Thank you, Mr. Chairman.

Mr. GUARINI. I might say, I've been in Turkey, also, and talked with officials there about the use of dogs on the border because that would be one way that they could help to resolve the problem.

But they had an insufficient number and it's a problem to train them properly.

Mr. LEVITSKY. Right, and we can help them in that regard. In fact, we're starting another program on the other side of the main border crossing point there with the Bulgarians in trying to get a dog program introduced there. That's been a little more difficult to get under way, but we're trying.

Mr. GUARINI. Thank you.

Mr. Gilman?

Mr. GILMAN. Thank you, Mr. Chairman.

I want to welcome our panelists, and they certainly are focusing on some important problems which this committee is concerned about.

Mr. Levitsky, you mentioned in your testimony that there's an interagency review of worldwide heroin problems. What's the composition of that review body and how frequently does it meet?

Mr. LEVITSKY. In the last Drug Control Strategy that was issued in January—the President's Strategy—it was mentioned that we were going to be undertaking a review of our heroin strategy.

So under the National Security Council's system and the drug czar's office, the State Department was given responsibility for conducting an interagency review. The review goes across the board and includes Dr. Bennett's office, it includes the DEA, the Justice Department, Customs, Coast Guard, the Defense Department, all the agencies that have one role or another in suppressing the flow of heroin to this country.

We have a first draft of this now, which is being looked at in the interagency community. What we are doing is look at the problem strategically, see what has been done, see where we can undertake new efforts and then match it to resources. So that we will probably be looking at something that will be presented publicly, I would guess, around the time that the 1992 budget is presented as well, because we want to make sure that we have a strategy that also is able to be implemented in an effective way, and we are now working through that.

Mr. GILMAN. How frequently have you been meeting?

Mr. LEVITSKY. In the heroin strategy working group, we've met, I suppose, about once a week. I haven't been heading the group myself; somebody from my office has. But I've seen the papers as they come forward.

Mr. GILMAN. How many working groups do you have?

Mr. LEVITSKY. We have that working group, we have an Andean strategy working group, we have a post-Cartegena follow-up working group, we have a demand reduction working group, we have a supply side working group, we have a foreign intelligence working group, and probably several others that I've missed.

Mr. GILMAN. Who's coordinating all of this?

Mr. LEVITSKY. They are coordinated, depending on what the subject is, by different agencies. The State Department coordinates the——

Mr. GILMAN. But, who's coordinating the overall interagency review?

Mr. LEVITSKY. I would say this is under the general purview of the drug czar's office. Most of the groups have their umbrella

under the drug czar's office or under the National Security Council interagency international working group, which the drug czar's heads in its meetings.

Mr. GILMAN. So as a result of this interagency working organization you're going to come up with a new strategy; is that the purpose?

Mr. LEVITSKY. The purpose is to come up with a strategy that focuses on heroin, that's right. There will be, I am sure, a number of new ideas, although we won't reject——

Mr. GILMAN. The purpose then is just a new strategy on heroin, not on the rest of the problem?

Mr. LEVITSKY. We've done a cocaine strategy, as you know, which we submitted in March, which focused on cocaine. So we wanted to look at heroin in a discrete way and try to look at the patterns of trafficking growth and try to see if we can come up with something specifically.

Mr. GILMAN. So the whole interagency group is redoing——

Mr. LEVITSKY. Yes, on that particular—yes, that's right.

Mr. GILMAN. Then you will be issuing a new heroin strategy?

Mr. LEVITSKY. We'll be issuing a strategy.

Mr. GILMAN. When do you anticipate issuing your strategy?

Mr. LEVITSKY. At this point, I would say what we have is a classified study, which is now going around for clearance. I would hope that by the end of the summer we would have that put together and then be able to talk to the Congress about that.

As far as producing one that is a public document, I couldn't say that—probably in the fall is the best estimate I could make at this point.

Mr. GILMAN. Fall of this year?

Mr. LEVITSKY. Fall of this year, yes.

Mr. GILMAN. Mr. Levitsky, you also talked about encouraging international cooperation and expanding U.S. efforts in UNFDAC.

Mr. LEVITSKY. That's right.

Mr. GILMAN. Have we increased our funding in UNFDAC?

Mr. LEVITSKY. Yes, this year, and we have asked for more in 1991, but that's for $5 million in 1991.

Mr. GILMAN. Are you obtaining approval by OMB?

Mr. LEVITSKY. Yes; it's still moving its way through the Congress, so anything you can do to——

Mr. GILMAN. Is the administration supportive?

Mr. LEVITSKY. Absolutely, that's part of the budget presentation.

Mr. GILMAN. It was $3 million last year?

Mr. LEVITSKY. $3 million for 1990, that's right.

Mr. GILMAN. What's the total on UNFDAC fund at the present time?

Mr. LEVITSKY. The total expenditure of UNFDAC in 1990 is figured to be about $65 million to $67 million.

Mr. GILMAN. Isn't it true that Judge DiGennaro, who is the head of the UNFDAC, has said we need to expand several billion if we're really going to do the job?

Mr. LEVITSKY. I don't know if that's true. I'd be surprised if——

Mr. GILMAN. You haven't heard Judge DiGennaro ask for several billions of dollars?

Mr. LEVITSKY. I've talked with him a number of times; he has never said that to me. It's possible he said it, I don't know.

Mr. GILMAN. Has he given you any estimate of what's truly needed to do the job?

Mr. LEVITSKY. No, Mr. DiGennaro, in fact, has said to us: What he needs more than anything is U.S. support for his organization. There are other countries that do not have large bilateral programs as we do, that prefer to give most of their funding through multilateral organizations. So he would like to have a good size contribution from us but he is more concerned—and he felt that we hadn't supported him in the past—that we support his effort politically and through combining our own programs with his, which we are doing in some countries; and that we are doing right now. So I think he is satisfied with that level of support.

Mr. GILMAN. That's not the message that some of us have received in talking with Judge DiGennaro. I would hope that you would ask him what you think is truly needed.

Mr. LEVITSKY. I wish he would say it to me because with me he has said exactly——

Mr. GILMAN. Will you ask him what he needs?

Mr. LEVITSKY. I see him a lot, and I'm telling you what he has told me.

Mr. GILMAN. I would suggest the next time you meet with him ask him what he truly needs to do the job, and I think he will tell you how extensive their needs are. It's not just a few million dollars. The funding approved so far is a paltry sum when we consider the worldwide problem that we're confronted with. To expend some $65 or $70 million against a drug trafficking problem with an estimated value of $500 billion worldwide is, I think, a paltry sum and certainly needs a lot greater effort than that.

Mr. LEVITSKY. We would like to support the organization more. We've had some problems with what we consider to be not always the most effective programs in the past. I think we've had a good discussion with them and I think that's beginning to improve. I think international support for the organization, because of our efforts, will improve as well.

Mr. GILMAN. I'd like to address a question to Mr. Caffrey.

With the extensive amount of heroin that's anticipated to be coming out of Southeast Asia, have we increased our personnel out there—DEA personnel—to try to get a handle on all of this?

Mr. CAFFREY. We have. We've taken some intermediate steps, even in Nigeria, by sending a task force there.

Mr. GILMAN. I'm not talking about Nigeria.

Mr. CAFFREY. I understand. I'm just going to draw the connection between the two.

Mr. GILMAN. What about Southeast Asia? How many more personnel have we assigned to that?

Mr. CAFFREY. We've opened a new office in Udorn, Thailand. I'm not sure that we've added too many to Bangkok at this point.

Mr. GILMAN. How much additional personnel have we assigned to Southeast Asia with this intensive amount expanded heroin trafficking that's going to be coming out of that area?

Mr. CAFFREY. We've been adding to our personnel over the last several years in those particular areas.

Mr. GILMAN. You're not answering the question, Mr. Caffrey.

Mr. CAFFREY. Specifically, I don't have the number for you but I can get that for you.

Mr. GILMAN. Would you supply that to the committee?

Mr. CAFFREY. Sure.

Mr. GILMAN. Mr. Chairman, I'd like to ask that the reply be made part of the record.

Mr. GUARINI. All right.

[The information follows:]

Four additional DEA agent positions were assigned to Southeast Asia during FY 1990:

Tokyo—One (1) special agent

Hong Kong—Two (2) special agents

Canberra, Australia—One (1) special agent

Approval is being sought for one (1) additional special agent position for Seoul, Korea in FY 1991.

Mr. GILMAN. The question specifically is, how many additional personnel are we assigning to Southeast Asia in light of the great amount of trafficking that we anticipate out of that area?

Mr. CAFFREY. I would also like to correct for the record earlier information that Mr. Oxley alluded to with respect to our heroin arrests last year. Actually, our heroin arrests increased in the United States for fiscal——

Mr. GILMAN. The information he referred to is in a Justice Department document.

Mr. CAFFREY. I think it was a daily document that was issued prior to the end of the fiscal year—I'm not certain of that.

Mr. GILMAN. It's not current, then?

Mr. CAFFREY. Yes, because the information I have here reflects that in 1989.

Mr. GILMAN. Would you supply that new information for us so that Mr. Oxley would have the benefit of that?

Mr. CAFFREY. Yes, sir.

[The information follows:]

The new Department of Justice [DEA] Worldwide Heroin Situation Report has not been finalized. The latest edition, dated January 1990, was reference by Mr. Caffrey and Representative Oxley. The figure of 1,216 heroin arrests in the United States during 1989 was not a projection for the complete year; rather, it was an "as of" figure based on reports received January thru August 1989.

Final statistics now available indicate 2,356 heroin-related arrests in the United States during calendar year 1989.

Mr. GILMAN. Dr. Kleber, you say that we are concerned about the increased amount of heroin coming into the country, but the statistics at the present time do not indicate that heroin abuse is expanding. Is that correct?

Dr. KLEBER. Not quite.

Mr. GILMAN. All right, then explain that to me.

Dr. KLEBER. What I said is there are two groups that you worry about with increased heroin use: First, those currently using cocaine, especially crack, who shift over; and second, those who are not yet initiated—who aren't yet using illegal drugs.

Mr. GILMAN. Dr. Kleber, to simplify it, is there an increased amount of abuse with heroin or isn't there?

Dr. KLEBER. We are not seeing the latter; that is, we're not seeing new initiates into heroin who aren't using illicit drugs al-

ready. There is some increase in those using cocaine shifting over to heroin.

Mr. GILMAN. How about hospital emergency room reported deaths from heroin, are they up or down?

Dr. KLEBER. Both.

Mr. GILMAN. Both up and down? How do they do that?

Dr. KLEBER. They increased from 1985 through 1988 and then the last part of 1989 they dropped again. So that at this point we aren't sure what the trend is going to be.

Mr. GILMAN. We had some debate about this several years ago concerning the accuracy of hospital drug-related deaths. Are they fairly accurate as a statistical vehicle for us?

Dr. KLEBER. You have to ask what causes the death. Is it due to more people taking the drug or is it due to an increased purity?

Mr. GILMAN. Is this an accurate criteria of the number of abusers? Is the hospital drug-related deaths——

Dr. KLEBER. Not necessarily, because, as the purity goes up, deaths may also, without an increase in numbers.

Mr. GILMAN. How are you making a determination of the number of heroin abusers out there?

Dr. KLEBER. There are a number of indicators. One is DAWN, which are the people who seek treatment in emergency rooms; not necessarily those that die, but those that come to emergency rooms for any reason. They were up—heroin was up for the 1985 through 1988 period, but again turned down in 1989.

Mr. GILMAN. We don't have any 1990 statistics?

Dr. KLEBER. We don't have any 1990 statistics yet, that's right.

Mr. GILMAN. Is 1990 when we're getting the additional amount of import; is that right?

Mr. LEVITSKY. No; I think throughout 1989—the production went up throughout 1989 and in the last——

Mr. GILMAN. When did the increased production reach our shores, 1989 or 1990?

Mr. Caffrey, could you tell us?

Mr. CAFFREY. I think we observed, at least from our ratings on price purity in the last 2 years—perhaps 3 years—significant increases in percentage of street level purity, which would indicate to us that that's when the availability and the increase occurred.

Mr. GUARINI. The Chair would like to reclaim the time and perhaps we'll have another round because I want to go to Mr. Dornan.

Mr. GILMAN. Thank you, Mr. Chairman.

Mr. GUARINI. I might announce that we've been very successful on the floor, as you gentlemen on the front ranks as we are, of this war against drugs, and that $231 million is going to be restored that Chairman Rangel and the ranking member, Larry Coughlin, have been successful in having the education treatment moneys restored. I think that's good news.

Mr. LEVITSKY. That's very good.

Mr. GUARINI. We will come back again, Mr. Gilman.

Mr. GILMAN. Thank you, Mr. Chairman.

Mr. GUARINI. Mr. Dornan?

Mr. DORNAN. In looking at some of your charts and statistics here, I'm the only Congressman in the House who has represented two different districts, and each one has a different narcotic prob-

lem. There are nine Members who have recycled back and fought to get back the seat that that they had lost in a prior election, but I was gerrymandered out of a seat in 1982, and I had been on the Narcotics Committee for all of those 6 years. I've got a very good memory, and I remember the enormity of the problem then.

So when I came back after the 1984 election from an Orange County, CA seat—still designated one of the high intensity zones—I asked to get back on the Narcotics Committee. There are a lot of Members that want to be on this committee because it's a hot issue; and if they have suspect motives to get on it, they soon get religion and realize they're fighting the war of their life. I have never seen more motivated Congressmen or a more bipartisan committee than this one.

So I got back on the committee in 1985. So I'm just starting at 1985; forget everything I learned the first 6 years where I visited with Ben the Shan Province in Burma, Laos. We were almost killed by drug lords there—they were going after the prior chairman of this committee, or three chairmen ago, Lester Wolff. We went to Mexico, Colombia, Venezuela. Venezuela said, we have no problem and never will. That's what Ecuador said—that's 1982. We went to Turkey and did the whole Southwest Asia thing.

So I put all that behind me because all the figures are different at 1985. They are all worse.

Now look, you tell me—and I accept every statistic—that from the time I got back on this committee, rolled up my sleeves to go to work, forget crack, ice, cocaine, everything that's disgracing this city and its mayor—heroin is becoming again a major problem. I thought we had a handle on it. On television, in 1968, I remember discussing we had 300,000 users in this country and that heroin was being glamourized by a certain liberal philosophy in this country—if it feels good, do it.

The heroin is four times worse and the potency is twice as bad; and it makes me question things, what am I doing in Congress wasting my time? What is this committee? But my nature is, I just get angrier.

Now I have an opportunity—and I don't know why I've been so lucky—to sit in on the most listened to radio talk show in America. At 6 minutes past this next hour, I'll be talking to 1½ million people. I'm going to talk about this prepared series of statements here. This is the best staff work I've ever seen preparing synopsis of your statements and using all your charts, and backing it up to get it together. I'm going to talk about this hearing this morning on the radio. And I was lucky enough to have the President of the United States—the leader of the free world—call the show yesterday; Dick Cheney is going to call today, Mr. Chairman, to discuss the utter chaos in the Soviet Union—and we can see from your charts that chaos, a war in Iran and Iraq that kills 1½ million kids, never diminishes the heroin production or transport.

I thought on those charts here that when we got the Southwest Asia situation to drop down a little bit we might get a handle on the problem. But it has really only dropped down in percentage because they've made up for it in volume, because the volumes are so termed in the other places.

So I am going to tell this audience how desperate this situation is; and I'd like each of you to tell me, if you had a chance to talk to 1½ million people, what you would say—and maybe think about the demand side, too, because that's still the main problem in my view.

I'm a free market guy I know when there's a demand, people will beat a path to your door with a better mousetrap or a more highly potent drug for you to stick in your body if you want it.

I'll start with you, Mr. Levitsky. Ambassador, what would you say to 1½ million people, "How are we going to get a handle on this war that I still don't think the country looks at as a war?"

Mr. LEVITSKY. I think I'd tell them to obey the law.

Mr. DORNAN. Excellent.

Mr. LEVITSKY. Don't do drugs. As we said before you came in, we have to work on both sides of the equation. But the real battle is here at home in reducing demand. If we don't have demand, these people who are growing it, processing it, and trafficking it, these criminals will not have a source of income and they will have to do something else—if they're not in jail by that time.

Mr. DORNAN. Two hundred and forty-nine stations in all 50 States will hear that—obey the law. That is so simple, and so basic, and so key.

Dr. Kleber—working your tail off for a year and a half here on the demand side, what do you say?

Dr. KLEBER. If we can't make drugs physically unavailable, we have to make them psychologically unavailable.

Mr. DORNAN. Excellent.

Dr. KLEBER. We do that at the local community level. There are effective techniques to help parents deal with drugs with their own children; to help schools deal with the problem; to help communities deal with drugs in their neighborhood—there are things that the people can do at the local level to help with the problem of drugs.

But I would also reiterate what Mr. Levitsky said—you need a coordinated effort.

Mr. DORNAN. Coordinated effort?

Dr. KLEBER. Coordinated. This is not something you win just on demand or just on supply—you've got to keep focusing on both. Local law enforcement is an excellent example; community policing is an excellent example of the kind of thing that cuts across both supply and demand. Another example of local coordination is pulling together parent groups, service clubs, businesses, health and government personnel into community coalitions.

Mr. DORNAN. As your boss has said for years, even when he was Secretary of Education, if you don't work the supply side, then people won't take you seriously when you say: this is a crime, it's evil, it's rotten. When you try to make it psychologically unavailable, they won't believe you if you're not working the physical side to try and stop it from coming in.

Mr. Caffrey, yours is the most depressing of the reports because I still think that and I have said this for 12 years—the highest morale within any Federal agency I've ever come across is the DEA.

Just one question. Is that morale still high?

Mr. CAFFREY. Morale is still high. We probably, of all the years—I've been doing this 25 years—we've had the greatest amount of support from both the public, the Congress, and from the administration. That raises our morale because there were many years when we thought we were standing alone.

Mr. DORNAN. You still stand alone in a lot of places. You are the most thinly spread Federal operation I've seen in all my years in government.

What one statement would you tell 1½ million people about this war?

Mr. CAFFREY. Clearly from a law enforcement perspective, I think you know our sights are well focused. But unless the American public stops this tremendous consumption of drugs, basically what we do—no matter how well coordinated on the law enforcement side—will be an incremental impact. If we're going to have a total impact, we're going to have to have everything working in tandem, and I'm talking education, I'm talking financial.

Mr. DORNAN. Again, a coordinated effort.

Mr. Chairman, my time has expired. Could I ask for one statistic?

Mr. GUARINI. Certainly.

Mr. DORNAN. How many DEA agents have been killed since 1977?

Mr. CAFFREY. Twelve DEA agents have been killed since January 1, 1977.

Mr. DORNAN. I'm going to dedicate the show to Kiki Camarena, and I wish I had the sound track at the end of that NBC film. What was his nickname, the Black Rooster of Guadalajara? What was it, Black Rooster?

Mr. CAFFREY. Kiki.

Mr. DORNAN. I'm going to dedicate today's show to him.

Thank you, gentlemen.

Mr. GUARINI. Good luck, Bob.

Mr. DORNAN. Thank you, Mr. Chairman.

Mr. GUARINI. Let me ask you gentlemen, if you were talking to an audience today, what would you tell them about legalization, decriminalization of drugs?

Mr. LEVITSKY. I'd say don't do it, and let me say from two perspectives. From an international perspective—and Dr. Kleber can maybe address the domestic side of this—from an international perspective, it would put us in violation of a half dozen important international conventions. We would be violating international law, very clearly.

So from that perspective alone, we would lose respect throughout the world and we would be saying to the world: we give up. I don't see that the United States can give up on this.

Mr. GUARINI. Dr. Kleber?

Dr. KLEBER. It would make a bad situation infinitely worse. We have somewhere less than 3 million individuals addicted to cocaine; 12 to 18 million people who are alcoholics or problem drinkers, and 55 million people addicted to nicotine. Cocaine is a much more addicting drug than alcohol.

If cocaine was as freely available as alcohol, I would expect the number of cocaine addicts to rise somewhere between alcohol and

nicotine, somewhere in the realm of 20 million. That sixfold increase would lead to not less crime, but more crime. It would lead to a demoralization of our neighborhoods.

Mr. Levitsky mentioned earlier about what's happened in Italy. Italy basically had decriminalized personal use of heroin. They ended up with the highest addiction rate to heroin and the highest death rate from heroin in Western Europe.

These drugs are attractive. The idea that forbidden fruit—that if you take away the forbidden aspect of the fruit, things will get better, implies that if you drop the price of a Mercedes from $40,000 to $10,000, people aren't going to want it. It's a fallacious argument.

Finally, I would say, why especially think about it now at a time when it looks like we're significantly making progress. It's the wrong message at the wrong time.

Mr. GUARINI. Mr. Caffrey, of DEA?

Mr. CAFFREY. I would echo that only in this sense, I think it's a moral issue. I think that we know these controlled substances in aggregate are harmful—some certainly more harmful than others. But in aggregate they're all harmful. I don't know what kind of public policy would advocate legalization of substances which we know are harmful to the public—obviously, we're very much against that.

Mr. GUARINI. Dr. Kleber, we're very impressed by the advance that has been made scientifically—for blocks for heroin, cocaine, and various drugs. We certainly hope that there will be continued success in that field because there's a great hope there of being able to treat these addicts and get them off the streets.

Let me ask you, why is smoking heroin rising? Is it to get away from the IV drug problem where they don't have to take it intravenously?

Dr. KLEBER. I think three reasons: First, the fear of AIDS makes the use of the drug by a noninjection route preferable; second, you have a group of individuals who have gotten into the drug route via smoking ala crack and still see needles as a somewhat dirty, shameful kind of thing; even if AIDS weren't a problem, they would not want to inject and, third, purity—you don't really smoke heroin of low purity. When heroin is 3 to 5 percent, as Mr. Caffrey indicated it was for many years, you don't smoke it. When heroin approaches 30 to 40 percent, now you have a substance that is quite smokable.

England has had much higher levels of purity of heroin than we've had for many years. My understanding from there is that roughly 35 percent of their addicts smoke. They never inject, they just smoke. So that increased purity does make it easier to smoke it.

Mr. GUARINI. You said that there are more hardcore addicts but less people that are experimenting with drugs.

Are our hardcore addicts increasing in numbers, and is this causing a tremendous amount of law enforcement and social health cost problems?

Dr. KLEBER. What we saw between 1985 and 1989 was roughly a 37-percent drop in casual use and 33-percent increase in so-called heavy use. Not surprising, because that's where the heavy use

comes from—those already in the pipeline—it lags 3 years or so behind the casual use.

What we saw from the last quarter of 1989 was a beginning of a stabilization and hopefully drop in that number as the emergency room mentions for cocaine dropped 22 percent; cocaine-related deaths dropped over 40 percent. So my belief is we're beginning to see first a stabilization and then a drop in the number of heavy users, but not yet to the extent that we're seeing in the casual use.

My hope is that if we can pick them off at one end of the pipeline via treatment and keep them from going into the pipeline via prevention; then we will sharply decrease the number of individuals who become hardcore addicts.

Mr. GUARINI. Lastly, we will wind up the session by a very short discussion on the justice system where we have a tremendous amount of people who are in our prisons that need treatment, and they will soon be released—we know the rate of recidivism—that they go back and come back again to the public and perhaps make the streets and communities unsafe once again, because we know what the large amount of people who commit crimes, violent crimes, are under drugs and how serious those numbers have been rising.

There's only $6 million, as I understand, that has been given to our Federal prison system regarding the treatment of people in prisons.

Would you comment on this, and what should be done?

I thought I heard someone say earlier that the justice system can take care of its own. Is this adequate; and what particularly should be done by our Government for the treatment of the hundreds of thousands of people who are addicts, who are in our prisons today that will soon be back on the streets?

Dr. KLEBER. I don't have the number at my fingertips of how much we're spending on treatment at Federal prisons. I will be happy to make that available to the committee.

Mr. GUARINI. I understand it's $6 million, which is a very small sum of money.

Dr. KLEBER. There are two prison populations you need to worry about. One is the Federal, and the other is the State and local. It has been my understanding from the Bureau of Prisons that they are sharply increasing the amount of treatment to be available in the Federal system.

My concern has been that there has not been a comparable rise in treatment in the State systems. We're trying to do two things to remedy that: First, the Office of Treatment Improvement is putting out about $8 million in treatment related to corrections to try and develop model projects that will improve this; and second, we are encouraging States via the block grant to spend more money on treatment in corrections.

Because I agree with you, these guys are going to hit the streets, and if we don't treat them, they are just going to recycle back into being drug addicts again.

Mr. GUARINI. It seems to me that we don't seem to have a policy or strategy for the State, local and Federal prison system, or how we are taking care of these people—that we're leaving it to the prisons themselves that really don't have the training, don't have

the personnel, and don't have the procedures that would be effective.

Do we have in your particular department a policy or a division that addresses the prison population?

Dr. KLEBER. My office has a Deputy for Treatment, Linda Lewis, and that comes under her shop. We've been working on that. We don't have any one individual under Mrs. Lewis who is assigned to treatment in the correctional facilities. We're trying to remedy that.

Mr. GUARINI. It seems to me that this has been a neglected area and should be addressed.

There has been a bill put in where $75 million that Senator Chafee and myself had put in so that we have a policy.

But these seem to be a forgotten group of people that are only going to be loose once again to do more damage, and these were the violent people that we have put behind bars in our prison system. It's just regrettable that we have looked at all parts of the equation but have neglected this particular part.

Will you give special consideration to that, Dr. Kleber?

Dr. KLEBER. This is certainly an area I am very concerned about also.

Mr. GUARINI. I want to thank all of you gentlemen. I know you had additional charts. I will take advantage of looking at them before we're through.

But to each of you, Ambassador Levitsky, Dr. Kleber, and Mr. Caffrey, we owe you a great deal of thanks and we'd appreciate your working with us, and you've very very helpful.

Thank you very much.

Mr. LEVITSKY. Thank you.

Dr. KLEBER. Thank you.

[The prepared statement of Dr. Kleber appears on p. 68.]

Mr. CAFFREY. Thank you.

Mr. GUARINI. The committee is now adjourned.

[Whereupon, at 11:42 a.m., the committee was adjourned.]

PREPARED STATEMENTS

STATEMENT OF

THE HONORABLE CHARLES B. RANGEL, CHAIRMAN
SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

HEARING ON HEROIN PRODUCTION AND TRAFFICKING:
A GROWING CRISIS

JULY 19, 1990
9:30 A.M.

B-318 RAYBURN HOB

Good morning, ladies and gentlemen. It is a pleasure to welcome our distinguished witnesses here this morning to discuss what can be done to combat the growing problem of heroin production, trafficking and abuse.

A Select Committee delegation returned from Asia in January shocked at the dramatic escalation in opium and heroin production in the Golden Triangle. According to the annual State Department International Narcotics Control Strategy Report, worldwide opium production nearly doubled from 1988 to 1989.

Unfortunately, many of the countries where opium poppy is grown are outside of the so-called U.S. sphere of influence. And, in those countries with which we do have good relations, it seems that a number of other policy considerations have priority over heroin control.

According to numerous press reports, heroin is more abundant than ever in U.S. cities and towns. The purity level on the street has gone from an average of about 3-5 percent early in the 1980's up to as high as 50 percent by the end of the decade. And, the price of heroin has decreased by more than half in the same period.

While the Administration has not officially admitted to any increase in heroin use, one must wonder where all this heroin is going. Who is consuming it all? A study almost 10 years ago estimated that there were 500,000 heroin addicts in the U.S. Can we really believe that these same 500,000 addicts are absorbing the dramatic increase in this deadly substance?

With the cocaine epidemic reportedly on the decline, are those ex-cocaine users becoming drug free or perhaps turning to different drugs, such as heroin?

Drug experts tell us that cocaine users find that heroin eases the crash after a cocaine high. To what extent is heroin now being used in combination with cocaine?

Unfortunately, some news reports have indicated alarming trends. According to a Washington Post story, the D.C. coroner's report for 1989 shows a doubling of deaths due to a combination of heroin and cocaine since the previous year.

It would seem that heroin use may well be on the rise; conditions certainly are ripe for a dramatic increase in heroin use in this country. We would like to know from our panel first of all to what extent the Administration views

this as a potential problem, and, secondly, what they plan to do to prevent heroin from becoming a more serious problem.

We have been anxiously awaiting the forthcoming heroin strategy from the Administration. While I understand that it is not yet available, perhaps our witnesses could share with us in general terms some of the key provisions the strategy will have.

I look forward to your testimony.

Opening Statement

by

The Honorable Michael G. Oxley

July 19, 1990

THANK YOU MR. CHAIRMAN, AND I WANT TO COMMEND YOU FOR CALLING TODAY'S HEARING ON THE PRODUCTION AND TRAFFICKING OF HEROIN. WE HAVE A DISTINGUISHED PANEL OF WITNESSES, AND I LOOK FORWARD TO THEIR TESTIMONY.

MR. CHAIRMAN, I THINK IT IS IMPORTANT TO NOTE THAT THIS IS NOT A HEARING ON COCAINE. THIS COMMITTEE HAS SPENT A GREAT DEAL OF TIME, AND RIGHTFULLY SO, EXPLORING THE ANDEAN INITIATIVE AND OTHER ASPECTS OF THE COCAINE AND CRACK EPIDEMIC. WHILE

IT IS IMPERATIVE THAT THE COMMITTEE BE VIGILANT IN ITS OVERSIGHT OF THE ANDEAN INITIATIVE, IT IS EQUALLY IMPORTANT TO NOTE THAT RECENT COCAINE-RELATED STATISTICS ARE ENCOURAGING. OUR EDUCATION AND PREVENTION EFFORTS, AS WELL AS OUR LAW ENFORCEMENT AND INTERDICTION EFFORTS, ARE BEGINNING TO PAY OFF. CLEARLY, WE ARE A LONG WAY FROM DECLARING VICTORY OVER COCAINE, BUT WE SHOULD RECOGNIZE THAT PROGRESS HAS BEEN MADE AND THAT THE WITNESSES BEFORE US TODAY HAVE PLAYED A CRITICAL ROLE IN THOSE EFFORTS.

TODAY, AS WE TURN OUR ATTENTION TO HEROIN, WE SEE SOME DISTURBING NEWS.

AS I AM SURE WE WILL HEAR LATER, THE PAST FEW YEARS HAVE BROUGHT A BUMPER CROP OF OPIUM, AND THE TRAFFICKING SYSTEMS FOR HEROIN ARE BECOMING MORE FORMALIZED AND MORE DIFFICULT TO DETECT. ADD THAT TO THE FACT THAT THE UNITED STATES DOES NOT HAVE A GOOD RELATIONSHIP WITH THE MAJOR OPIUM PRODUCING COUNTRY, AND WE HAVE SOME SIGNIFICANT CHALLENGES AHEAD OF US AS WE WORK TO DEVELOP AN ANTI-HEROIN STRATEGY.

THE GOOD NEWS, IF THERE EVERY IS ANY WHEN IT COMES TO DRUG USE, IS THAT WE ARE FAMILIAR WITH HEROIN AND WE KNOW HOW TO TREAT A USER. ALSO, BECAUSE OF STIGMA ATTACHED TO THE

DRUG, I THINK IT IS SAFE TO SAY THAT HEROIN WILL NOT BECOME THE "IN" DRUG IN THE 1990S AS COCAINE WAS IN THE PAST DOZEN YEARS. NEVERTHELESS, THE HEROIN SITUATION IS WORSENING, AND I AM PLEASED WE HAVE AN OPPORTUNITY THIS MORNING TO EXAMINE THIS MATTER.

I LOOK FORWARD TO OUR WITNESSES TESTIMONY. THANK YOU, MR. CHAIRMAN.

TESTIMONY

ASSISTANT SECRETARY OF STATE MELVYN LEVITSKY
BUREAU OF INTERNATIONAL NARCOTICS MATTERS
DEPARTMENT OF STATE
BEFORE
THE SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL
HOUSE OF REPRESENTATIVES

July 19, 1990

MR. CHAIRMAN:

The Committee has requested that the Department provide testimony on the current state of narcotics production and heroin control and U.S. Government programs and efforts to stem the growing tide of heroin availability in the United States. I am pleased to have this opportunity to review the challenges that face us in dealing with one of the most serious illegal drug threats facing this country.

The Administration is taking a serious look at the heroin situation, and, as described in the President's January drug strategy, has commissioned an interagency review of the worldwide heroin problem and strategy initiatives to improve our response to this threat over the next several years.

We are seriously concerned with the potential for a resurgence of heroin abuse in the United States, especially as the crack phenomenon begins to abate or as crack/cocaine users use heroin to temper their highs. Many drug abuse experts believe that a stimulant epidemic, such as we have undergone with cocaine, can easily be followed by the wide-scale use of a depressant, such as heroin. Some reports, however, such as recent data from the Drug Abuse Warning Network (DAWN), note a levelling-off of heroin mentions in hospital admissions.

Currently, our greatest challenge is to reduce the production and availability of cocaine. We believe that the President's strategy and the continued and expanded cooperation of the international community are making inroads on this front, but much more still needs to be done. While we have placed an understandably high priority on the cocaine threat, I believe it is important not to lose sight of the heroin problem.

There is increasing evidence that the U.S. heroin and cocaine markets are becoming linked--with users combining the two drugs or taking heroin to come down from their cocaine highs. Additionally, as our drug culture has been oriented toward smoking crack, we are seeing the phenomenon that has dominated other opium cultures--administration of opiates (heroin) in the U.S. by smoking. The AIDS epidemic also makes heroin smoking more attractive than ever before. We can do only so much to interdict heroin enroute to the U.S. and thus we need to work with producing countries to reduce the abundant supply of opiates which has increased significantly in the past two years. What complicates our control effort is the fact that heroin comes from a wide variety of sources and is often produced in areas beyond either host country control or U.S. access.

POLICY INITIATIVES:

To target both the major producers and the states across which trafficking occurs, we are considering the following policy initiatives with regard to heroin production, abuse and transit:

- increased international assistance to, and pressure on, the governments of producer and trafficker countries to strengthen their political will and institutional capability to combat the drug trade;

- continuation of cooperative programs with host governments of countries affected by heroin traffic to increase the effectiveness of their law enforcement and military organizations and improve their legal systems;

- improvements in law enforcement and interdiction efforts for better targetting of major trafficking organizations and international drug syndicates;

- improvements in intelligence collection, analysis and coordination, and sharing of information;

- continued provision of crop control and development assistance in countries where these strategies can be applied effectively;

- expanded efforts to gain international cooperation on money laundering initiatives and the control of precursor chemicals;

- o augmentation of efforts to increase the national awareness of heroin supplier and transit countries about heroin use and its consequences, through research and public awareness programs;

- o the provision of specific information to supplier, transit and consumer countries on heroin treatment programs that research has shown to be effective; and the provision of advice, as appropriate, on effective prevention strategies.

The global nature of the heroin threat requires greater participation both by other developed countries and by the producer/trafficker countries to induce actions to expand control efforts. We will be working closely with those countries most able to share the burden, particularly the members of the European Community and Australia; the Economic Summit members (G-7), including Canada and Japan. Recently in Dublin, donor countries agreed to a U.S. initiative to form regional groupings to better coordinate drug control activities. Japan offered to lead a group of donors to better focus international efforts in Southeast Asia. In the future, there will be increased emphasis on joint measures, financial mechanisms and conspiracy laws to target money launderers, detect and seize traffickers' assets, and frustrate narcotics conspiracy.

As part of these ongoing international efforts, we will encourage the United Nations Fund for Drug Abuse Control (UNFDAC) to expand its programs and make them more effective in the major producing and trafficking regions. U.S. financial support to regional organizations will be provided on the basis of cost-effectiveness of programs in countries which the U.S. considers to be of high priority.

We will also encourage regional organizations such as the Association of South East Asian Nations (ASEAN) to assume greater responsibility for playing an active role in suppressing heroin production and trafficking since ASEAN members are most affected by the ever-increasing amount of heroin available on the Southeast Asian market.

Although we want to assist the major producer and trafficker countries in developing and strengthening narcotics control programs, we also believe they should be held responsible for progress in stemming the flow of drugs. The certification process is also an instrument to help us obtain our objective of making countries accountable for their part in controlling the international drug trade.

While bilateral and multilateral assistance programs are important elements in heroin control, another important additive to successful narcotics control is public awareness in producer, trafficking and consumer countries. Governments can pass anti-drug laws and institute drug enforcement programs, but without widespread public cooperation, efforts are unlikely to succeed. For this reason, we will be seeking improvements in international and regional programs that have the effect of raising public and national leadership awareness of the nature, extent and consequences of heroin use.

As I have mentioned, successful efforts are needed to convince other nations of the world that heroin is a major menace demanding an expanded degree of international cooperation. The Houston Summit focused on drug control as a major developed country concern and heroin figured as part of that agenda.

In essence then, we must be able in the future to provide a higher profile to our concerns over the heroin problem. We must be able to back up our desire to combat the threat with concrete action in support of countries willing to attack the problem, as well as gain more access to and influence with those countries that currently are unable, or perhaps unwilling, to assist in the worldwide heroin control effort.

I would like to provide the committee with an overview of the situations in opium/heroin producing regions and important countries:

Southeast Asia (The Golden Triangle)

The Golden Triangle region, comprising Burma, Thailand and Laos is currently the major focus of concern. The National Narcotics Intelligence Consumers Committee (NNICC) has reported that Southeast Asia has replaced Southwest Asia as the major source region for heroin entering the U.S. market. The heroin signature program--a chemical analysis of heroin seized in the U.S.--shows that over 50 percent of the samples analyzed are currently of Southeast Asian origin. Heroin seizures are up both in volume and purity of drugs available, especially in cities such as New York.

Southeast Asian opium production increased during the past several years, and especially during the 1988-89 growing season due to near-perfect weather conditions. The suspension of the U.S.-supported Burmese aerial opium eradication program after civil disturbances and the fact that we are just beginning to expand access to Laos further complicate opium control in that part of the world. As reported in the 1990 International Narcotics Control Strategy Report (INCSR), production was also up in Thailand, although the concern in

Thailand remains heroin trafficking. Thai production has been reduced somewhat this year and over the long term has come down due to international efforts supporting Thai programs since the 1970's.

Our concerns in heroin control in the Golden Triangle are three-fold and can be categorized by the individual situations in the producer countries. Burma presents us with our most serious challenge, one of obtaining access and developing the present regime's or a new government's will to begin effective and well-monitored drug control programs.

During 1989 and this year, the Lao Government met markers set out by the Administration and appears to be making progress. However, we look forward to the Lao Government taking concrete steps to control the narcotics problem, including specific steps to control elements of the military still reported to be involved in the drug trade.

Thailand presents a series of challenges, the most obvious is dealing forthrightly with the Royal Thai Government (RTG) on the problem of corruption. We have made these concerns clear to the RTG in Washington and Bangkok. While Thailand was certified by the President as cooperating with the U.S. on drug control, we sent a clear message that the corruption issue must be addressed. We are also continuing to place strong emphasis on improvements to the legal system in Thailand. Preliminary reports on this year's opium production in Thailand are encouraging--a possible reduction in the crop of as much as 23 percent. Thailand's Parliament is also considering legislation on asset seizure and conspiracy.

In addition to the three countries in the Triangle, the United States and other countries are very concerned about the spillover of drugs being produced in the region to elsewhere in the developing world. We also worry that the expansion of the heroin smuggling trade to countries such as Malaysia, China, Bangladesh and India--all experiencing increases in trafficking and abuse--will require that more international resources be devoted to countries beyond the Golden Triangle.

BURMA

Burma is the world's major opium producing country. The 1988-89 crop exceeded 2600 metric tons of opium. This year's figures of Burmese production are not complete at this time but most experts agree that the capability for continued large-scale production exists and that control mechanisms are still absent. Trafficking and refining also continued unabated during 1989 and into 1990.

The regime in Rangoon reportedly reached tacit agreement with producer groups in the Shan States. The U.S. denied certification on narcotics to Burma in 1989 and again this year. The regime held a "drug burning" public ceremony early this year--DEA and Embassy representatives were invited--and has made some gestures toward improving its performance in drug control and enforcement. We note that the elections of May 27, when the regime was overwhelmingly repudiated by the Burmese people, has not yet moved the military to permit a new government to form. When and if a democratically elected government takes power, we may be able to initiate cooperative counternarcotics efforts with Burma. We continue to support DEA activities in Rangoon and are currently maintaining a flexible policy regarding support for possible enforcement efforts.

Until 1988, a year in which the Burmese eradication campaign reportedly reduced the crop by 12,500 hectares by the end of the growing season, the host government took steps to control opium cultivation, refining and trafficking, and the U.S. supported the world's largest aerial opium eradication program in INM's portfolio. The Burmese also carried out operations using Burma Army troops to interdict opium caravans. Under cooperative agreements, five thrush spray planes and over thirty helicopters were donated to Burma between 1974 and 1988. The program amounted to over $80 million total funding for aviation support, training, demand reduction support and law enforcement commodities.

The major areas of opium production and heroin refining today generally remain beyond the control of the central authorities in Burma. These areas are the Shan States, with heaviest concentrations in the northeast Shan States, and the Kachin States in northern Burma.

Major refineries are located near the Thai border and in the Wa National Army (WNA), Kokang Chinese and Kachin Independence Army (KIA) controlled areas. Principal trafficking routes are out through Thailand, to India/Bangladesh and more recently through southern China, all of which have relatively uncontrolled borders with Burma.

The principal groups involved in the trade, some active for the past forty years, are the Shan United Army or SUA, led by the infamous Chiang Chi Fu, AKA Khun Sa who was indicted last year by the U.S.; the Kokang Chinese and WNA and the KIA, which controls the Kachin State in northern Burma.

The Burmese regime has benefited from the breakup of the Burma Communist Party (BCP), and is reportedly accommodating WA activities in the north, and supporting the WA group against Khun Sa's SUA.

LAOS

Laos took several steps during 1989 and early 1990 to begin cooperation with the United States on narcotics control, leading to full Presidential certification for the first time.

In September, Laos and the United States entered into a bilateral agreement on a crop control project which got under way shortly thereafter. Two Congressional delegations, including the delegation from this Committee, visited Laos during 1989 and 1990, and high-level State and DEA officials visited Vientiane to discuss narcotics cooperation, including the need for concrete enforcement steps. I visited Laos earlier this year and again pressed home the need for expanded cooperation on law enforcement with Lao officials.

Lao officials also participated in U.S.-sponsored drug training programs for the first time since the 1970's. In January, the U.S. and Laos signed a broad-ranging narcotics control agreement which commits the Lao to enforcement cooperation. A new criminal code, which the host government has reported was passed in 1989, includes penalties ranging from two to ten years for selling opium and refining and trafficking in heroin and other drugs. UNFDAC also started a project in Laos last year. DEA held its first INM-sponsored in-country training school in Laos this June. This course was successful and served to begin building more enforcement contacts and expertise in Laos. Additionally, Laos recently announced the arrest and fining of several marijuana traffickers in Vientiane province.

The U.S., however, continues to receive reports that some Lao military and civilian officials are involved in the drug trade, particularly the Military's Mountainous Area Development Coorporation. We continue to monitor this situation to see if recent steps by the Lao Government to increase cooperation will lead to a reduction and possible elimination of the involvement of some Lao officials in the narcotics trade.

Opium production also increased in Laos due to higher yields resulting mostly from good growing conditions, as well as slightly expanded (four percent) areas of cultivation. Laos is now considered a major opium producer for the world market, with production in Laos up to 375 metric tons at the end of the 1989 growing season.

Most of the opium cultivation in Laos occurs in the more remote northern highland areas of the country. Opium cultivation has been traditional among the hill tribes of northern Laos for over 150 years. Following 1975, production and abuse of opium declined steeply, but production has increased in recent years. Suppression efforts in Thailand and

previously in neighboring Burma have also caused major trafficking organizations to move their activities to Laos, where they have been able to grow and refine opium in traditional areas that have not been easily accessible to authorities. The lure of profits, both for producers and traffickers, may have led to the involvement of Lao civilian and military officials.

Although we have seen some movement on law enforcement actions, as noted above, Laos still needs to undertake strong action against major trafficking enterprises. We are hopeful that we will be able to expand the cooperation that has begun between our two countries.

THAILAND

Thailand continued its long-standing cooperative effort with the U.S. and other countries on drug control during recent years. The increases in Golden Triangle opium production and heroin refining, especially in neighboring Burma, have amplified U.S. Government concern that more enforcement efforts on the part of the Royal Thai Government are needed to stem the flow of illicit drugs through Thailand--still the major conduit for drugs exported from the region. During my visit to Thailand this spring, I outlined these concerns to senior Thai officials.

Corruption continues to pose a significant problem in Thai enforcement efforts, as it does in most major drug producing and transit countries. The expansion of trade with Burma appears to have aided narcotics smuggling activities. Cross-border links for trade and security purposes promote ties with groups who also smuggle narcotics, leading to the potential for increased narcotics corruption among officials involved. To fight corruption, we have urged the Thai Government to enact long-pending asset seizure and conspiracy legislation, and the goal of introducing legislation to Parliament this year was met. Recent reporting from Bangkok, however, casts doubt about enactment of the new laws during the present session. Prime Minister Chatchai, during his recent visit to the U.S. and during meetings with President Bush, committed the Thai Government to increased cooperative control efforts.

U.S.-supported crop control and crop substitution programs continued in Thailand. Although the extremely good growing conditions produced the largest opium crop in recent years (estimated at 50 metric tons in the 88-89 growing season), Thailand remains an importer of opiates. The opium suppression campaign for this year's growing season proved to be more successful, with an early estimate showing a 23 percent reduction in opium yield (down to 38 metric tons). Thailand

continues to support programs aimed at demand reduction and treatment to counter abuse in the country. DEA and U.S. Customs are represented in Thailand and UNFDAC programs have been under way for a number of years.

Opium has for generations been cultivated in the highland regions of northern Thailand. Some opium poppy is still grown by traditional users for local consumption, but the majority of the crop is produced to support illicit refining and consumption within Thailand by opium and heroin abusers. Insurgent/trafficking groups operating in Burma have often used the Thai side of the remote, ill-defined border as sanctuary. Thailand will remain a focus for U.S. concern due to the limited access we have with the other neighboring countries.

We have noted disturbing reports of heroin use among hill tribes in northern Thailand as well as reports from China concerning the abuse of heroin in southern Yunnan province. This trend mirrors the expansion of heroin abuse that we have seen in other countries within or near major producing regions such as India and Pakistan.

Southwest Asia (Golden Crescent) and Other Source Countries:

The Golden Crescent--Pakistan, Afghanistan, and Iran--produces a large share of the world's opium supply. Production increased from nearly 600 tons in 1984 to over 1,000 tons in 1989. The highest densities of poppy cultivation in Southwest Asia occurs along the border between Pakistan and Afghanistan and in the Helmand Valley in Afghanistan. Other widely scattered areas of cultivation are found throughout Iran and Afghanistan. In Pakistan, poppy growing is confined to the Tribal Areas of the North West Frontier Province (NWFP), which for geographic and political reasons is beyond Islamabad's effective control.

Opium production in Afghanistan--where all semblance of narcotics control ended with the 1979 Soviet invasion--has soared, according to some estimates. After peaking at 750 metric tons in 1988, the crop last year was smaller because of poor weather, and amounted to an estimated 585 metric tons. Second only to Burma in terms of world production, Afghanistan has emerged as the leading surplus producer in the region, funneling vast quantities of opium east to the heroin bazaars in Pakistan and west to the expanding markets in Iran. The tenacity of the Afghan trade is underscored by the fact that much of the growth in opium production occurred in the eastern mountains, the scene of some of the fiercest fighting in the civil war. Recent reports indicate that cultivation is declining in the Helmand Valley of south-central Afghanistan.

The shift of cultivation into less accessible areas is also reflected in Pakistan. According to estimates, opium production jumped 300 percent between 1984 and 1988 to about 200 tons--the highest output since the bumper harvests of the late 1970s--before falling sharply in 1989 to 130 tons, largely because of a drought during the planting season. Traffickers have abandoned traditional growing areas in the face of vigorous U.S.-backed government crop suppression efforts to concentrate cultivation instead in the rugged mountains adjacent to the Afghan border. This barren area, well beyond the control of Islamabad, has traditionally contributed only a small part of Pakistan's opium crop. Growers in this area, however, appear to be increasing production by capitalizing on the region's semiautonomous status--in which Islamabad entrusts primary law and order responsibilities to the tribes--and the government's refusal to challenge tribal sovereignty with eradication efforts.

Another opium safehaven exists in the mountains of northwestern Iran. Inhabited by fierce, autonomy-seeking Kurdish tribesmen, this region has a long history of narcotics production and trafficking. Although narcotics production has probably fallen considerably in Iran under the regime's Islamic fundamentalist rule, fragmentary reporting from press and former Iranian Government officials suggests that several hundred tons of opium--mostly intended for domestic consumption--are produced annually. Reporting on trafficking across the Turkish border indicate that the western mountains continue to be a major growing area. Even though Tehran has taken draconian measures to quash the narcotics trade, including mass executions of traffickers, it has had little influence in the Kurdish areas. We believe the government's focus on staunching imports from Afghanistan and Pakistan and its apparent reluctance to assault drug producers near the Turkish border out of fear of upsetting relations with the tribesmen will allow drug trafficking in western Iran to prosper.

OTHER SOURCES

Additional supplies of illicit opiates are also available from Lebanon, India, and Guatemala. Analysis indicates that opium cultivation amounted to about 45 tons annually in Lebanon's Bekaa Valley. Previously, figures on Bekaa production were imprecise. Reporting also indicates that opium cultivation is continuing unabated. India, the world's largest producer of licit opium--some 600 tons in 1988--admits that some of its annual crop is diverted to the black market. Reporting indicates that opium is now being cultivated in Guatemala which may produce up to 14 metric tons from a three-crop-per-year cycle. Additional reporting indicates that the opium is refined into heroin in Mexico.

The spread of refining to an increasing number of countries situated along the trafficking chain is further complicating efforts to stop heroin shipments. Turkish traffickers, for instance, continue to be significant heroin producers, drawing on large stocks of opium and morphine from Iran to circumvent Ankara's successful efforts to keep illicit opium production in check. Turkish authorities destroyed several laboratories that they claim were producing high-quality heroin for the West European and Middle Eastern markets. Many of these were crude sites established in the eastern mountains near Iran, but the raids last year have turned up several larger, more sophisticated operations in Istanbul, which indicates a growing effort by Turkish traffickers to become more active in the Western heroin trade.

Nigerian groups continue to expand their trafficking operations and arrests of Nigerian heroin couriers have taken place in Southeast Asia, especially in Thailand. This spread of trafficking organizations is an example of the difficult task facing control officials both in the United States and the other consumer countries and well as the producers themselves.

MEXICO

The Government of Mexico (GOM), under President Salinas, has made the fight against drug trafficking a high priority. The Attorney General's office heads the national campaign, which includes eradication, interdiction and demand reduction. Critics claim that the GOM is more interested in interdicting Colombian cocaine than in taking on the powerful Mexican opium lords. The GOM has, indeed, placed great emphasis on battling Colombian and other foreign traffickers but has demonstrated its willingness to address the domestic heroin problem as well. The GOM reports that it has eradicated 17,996 opium poppy fields and seized 228 kilos of opiates since January 1, 1990.

Cultivation of Mexican opium poppy has quadrupled since the early 1980s when the government's eradication effort tapered off. Opium production has been concentrated in four areas which comprise only four percent of Mexico's land mass. The four areas accounted for about 8,000 hectares of opium poppy cultivation in 1988 and for up to 6.7 metric tons of heroin available for the U.S. drug market. The largest growing region, the tri-state area--where the borders of Sinaloa, Durango, and Chihuahua converge--is just 300 miles from the U.S. border and, with a net cultivation in 1988 of about 4,800 hectares, is a significant source of heroin for the United States. The other large growing area--covering half of the interior of the state of Guerrero--is only one-third the size of the tri-state region and accounted for about 1,100 hectares of opium poppy in 1988. Mexican opium poppy cultivation has expanded primarily by increases in planting within the two main growing areas. However, some recent reports indicate production is moving beyond the tri-state region.

of opium poppy in 1988. Mexican opium poppy cultivation has expanded primarily by increases in planting within the two main growing areas. However, some recent reports indicate production is moving beyond the tri-state region.

Although cultivation is the least profitable stage in the heroin trade, illicit poppy growing is the most lucrative option for most poor farmers. Poppy is usually grown by independent subsistence farmers on their own plots or on controlled public or private land. Most opium poppy is cultivated in Mexico during spring, summer, and fall growing seasons, with plantings normally in October, February, and June, respectively, and harvests after five months. Farmers are clustering fields for ease of maintenance and to facilitate irrigation. Fear of interdiction is less of a factor than it was previously.

Mexican heroin refining processes generate a variety of products. Brown heroin has traditionally been the preferred Mexican variety among U.S. addicts, but the popularity of black tar heroin--substantially more potent--has been increasing in recent years and may account for the increasing numbers of overdose cases which have been reported. Mexican heroin is refined using simple, portable equipment in easily disguised, small labs which DEA estimates number in the hundreds. A variety of reporting strongly suggests that most refineries are in urban centers near the growing areas. All heroin processing chemicals are readily available on the legitimate market. The United States is Mexico's primary source of acetic anhydride, the critical chemical needed to convert morphine into heroin.

Historically, the production and distribution of Mexican brown heroin has been managed by several families thus making it extremely difficult for law enforcement to penetrate the decision-making level of the organization. The laboratories are usually small, rudimentary operations which are established at harvest time and are dismantled shortly thereafter.

In conclusion, I would like to note that the challenge of heroin control is perhaps more complicated and difficult than that posed by cocaine. The new interest show by other donors and some producers themselves should enable us to make progress in controlling the spread of heroin trafficking and abuse in the future.

Statement

of

RONALD CAFFREY
Deputy Assistant Administrator for Operations
Drug Enforcement Administration

before

the

Select Committee on Narcotics Abuse and Control
U.S. House of Representatives

concerning

The Worldwide Heroin Situation

on

July 19 1990

Mr. Chairman and Members of the Select Committee on Narcotics Abuse and Control: I am pleased to appear before you today to discuss the worldwide heroin situation, as well as the narcotic enforcement efforts of the Drug Enforcement Administration (DEA) regarding the heroin problem.

The heroin situation currently is a matter of increasingly serious concern to law enforcement and public health officials in the United States. This derives directly from two significant facts established on a continuing basis by enforcement and intelligence activities conducted by the Drug Enforcement Administration (DEA)—both the supply of heroin, and the purity of that supply, have increased steadily.

World opium production has doubled in the past four years, increasing in each of the three major source areas of the world—Mexico, Southwest Asia, and Southeast Asia. Estimated total production reached 4,209 metric tons in 1989, up from an estimated 1,458 metric tons in 1985.

At the same time, the potency of this more abundant heroin also has climbed. A special DEA monitoring program was set up in 1988 to provide a continuing awareness of the street-level purity of heroin. We found that the previous traditional single-digit purity level of 3 to 5 percent had climbed to more than 50 percent in two major East Coast cities, and was 35-40 percent in two others. It is significant that over 90 percent of the exhibits analyzed in this program were of Southeast Asian origin.

Highly organized Southeast Asian trafficking groups are supplying the United States with significantly larger shipments of heroin. In the last two years, more than 50 percent of the heroin seized in the United States was from Southeast Asia, compared to 14 percent in 1985.

Another significant aspect of heroin trafficking is the increase both in the total heroin seizures in the United States and the size of the shipments that are seized. Annual domestic heroin removals quadrupled between 1981 and 1989. And, while several kilograms once constituted a major domestic seizure, four seizures of Southeast Asian heroin in the past two years have weighed between 71 and 373 kilograms. A single shipment of 1,086 kilograms, destined for the United States, was seized in Bangkok in February of 1988.

DEA has put into place two specific enforcement actions, both of which I will discuss in more detail later, aimed at heroin trafficking in Southeast Asia. These operations have achieved significant results, including the seizure worldwide of 592 kilograms of Southeast Asian heroin, the arrest of several major traffickers in that area, and ongoing intelligence that spotlights the growing heroin problem.

The drug trafficking situation in the three major source areas of the world is directly linked with these pronounced concerns regarding drug abuse in the United States. In that regard, I would like to discuss with you the heroin situation in Southeast Asia, Southwest Asia, and Mexico, as well as DEA's enforcement efforts targeting heroin trafficking in these areas of the world.

Southeast Asia

Southeast Asia continues to be the world's major producing area for heroin. Opium production in Southeast Asia has risen steadily since 1985 and reached an estimated average of 3,054 metric tons in 1989. In the past several years, ideal weather conditions have been the primary reason for an increase in opium production. The decrease in anti-narcotics operations in Burma and better techniques in opium poppy cultivation have also contributed to this situation.

Burma produces approximately 85 percent of Southeast Asia's opium. Burmese narcotics interdiction efforts have remained at a standstill ever since the political upheaval in that country during the summer of 1988. As a consequence, narcotics have moved unhindered from growing areas to refineries and exit points along Burma's borders. Since the military pullback from the north, narcotics have moved along major, unsecured roadways by vehicle in such large volumes that only relatively small amounts were left for opium caravans, the traditional method of moving narcotics to exit points along the border.

While relative calm continues in the urban centers, normal anti-narcotics activities have not yet resumed. It can therefore be expected that opium poppy cultivation will increase, as a result of insurgent coercion and little or no government suppression operations. Opium production during 1989/1990 was further abetted by systematic, timely planting, the use of chemical fertilizers and favorable weather conditions for opium poppy cultivations.

Smuggling of opium products generally is conducted by well-armed insurgent forces, primarily ethnic Wa elements formerly included in the defunct Burmese Communist party (BCP) and the Shan United Army (SUA). Opium is the primary source of revenue for insurgents in Burma.

Most Burmese heroin still finds its way to international markets via established routes through Thailand. Thailand's highway system expedites movement to the country's international air and sea ports. Intelligence indicates increasing use of routes to the Indo/Burmese and Bangladesh/Burmese borders. It is believed that considerable amounts also exit southeast Burmese ports along the Tenasserum coast for further transit down to the Andaman Sea thence to Western markets via southern Thailand, Malaysia, Singapore, and Hong Kong.

Under current U.S. Government policy, foreign aid to Burma, which includes assistance for narcotics enforcement, has been indefinitely suspended. Burma did not conduct opium poppy eradication operations during the 1989/1990 growing season. Little, if any eradication can be expected in the near future. Due to these factors, opium prices should decline further because of the abundant supplies in the Golden Triangle.

Heroin refining activity, at the Burma/Thailand border, is expected to increase because of an abundance of opium and the lack of enforcement operations which had some significant success in previous years. In addition to Burma being a major source country for narcotics transiting Thailand, it is expected that there will be an increase in opium products from Burma transiting China, India, Laos, and Bangladesh.

Thailand continues to maintain a crop eradication and narcotics law enforcement program. Cooperation with United States counterparts remains generally satisfactory, and joint refinery interdiction operations and criminal investigations have produced significant results. For example, joint operations resulted in the destruction of eight heroin refineries in 1989.

Refinery sites range from simple and temporary huts to more elaborate and permanent installations with storage and living quarters for guards and refinery personnel. Equipment varies from crude wash tubs, cooking vats, mud and rock ovens, double boiler drying ovens and opium squeeze box presses, to more sophisticated Buchner funnels, glass vacuum flasks, and heroin cookers with condensing coils.

Essential chemicals for Thailand-based refineries come from suppliers in Bangkok or southern Thailand who import them illegally from sources in Malaysia, Japan, and Western Europe.

Law enforcement efforts during 1989 resulted in the arrest of several major traffickers. These arrests contributed significantly to the disruption of trafficking organizations in the Golden Triangle. Although narcotics-related arrests increased over the previous year to an estimated 55,000, drug seizures were down. Refinery interdiction continued on a regular basis with a total of 8 heroin refineries immobilized by the year's end.

The deterioration of the situation in Burma has placed a special burden on Thailand to respond to the opium products threat on the Thai/Burma border. Thailand is essentially the only viable option that the U.S. has offering cooperation in this area.

Opium poppy planting in Thailand during 1989 stabilized at about 4,500 to 5,000 hectares. Excellent weather conditions again prevailed. Total opium yield is estimated to be 50 metric tons. Marijuana production is estimated to have decreased due in part to substantial displacement to neighboring countries, principally Laos.

Major opium product refineries continue to be located in Burma, but at least a dozen or more smaller ones have been either seized or identified within northern Thailand in the past years. Although opiate production by those refineries is usually less than the ones located across the border in Burma, some of the Thailand-based refineries have significant monthly heroin #4 production capability.

Laos is estimated to be the third largest producer of opium in the world, as well as a significant heroin refiner and substantial producer of marijuana.

Opium production in Laos has been steadily increasing since the early 1980s. Production has gone from an estimated 35 metric tons in the 1982/83 seasons, to 255 metric tons in the 1987/88 growing season to 375 metric tons (or 9% of the worldwide opium production) in the 1988/89 growing season. Indications are that this trend will continue into the 1989/90 growing season.

As in the past, these increases in cultivation of opium can be attributed to economic motivation together with favorable weather conditions, the shift of Thai and Burmese traffickers into Laos, and the lack of narcotics enforcement within the country.

Although cultivation and heroin refining activity continues in Laos, the Lao Government has recently requested assistance in the area of crop substitution and has become more vocal against drug trafficking. In early 1990, the Lao Government and the U.S. Government signed a Memorandum of Understanding on narcotics cooperation, two large-scale crop substitution projects were initiated with Laos and high-level meetings occurred between DEA and Lao Government officials. DEA has recently opened an additional office in northeastern Thailand.

Southwest Asia

Opium production in Southwest Asia for 1989 is estimated at approximately 1,098 metric tons. Some of this opium is consumed within Afghanistan, Iran, and Pakistan, but a large quantity is refined into heroin for illicit use worldwide.

Afghanistan has been a denied area for DEA personnel since the 1979 Soviet invasion, and reliable information is at best difficult to obtain. We do know, however, that Afghanistan continues to be a major producer of opium and hashish. There is no ban on opium poppy cultivation in Afghanistan, and indications are that little can be done by Kabul regime officials to address this matter, as they lack control over the primary opium growing areas. DEA believes that the cessation of hostilities in Afghanistan will most probably result in an increase in opium production and heroin conversion activity.

Iran is also a denied area, and most of DEA's information is based on media reporting, which indicates that several initiatives targeting illicit drug activities have been taken. In January 1989, stringent anti-drug legislation went into effect. Also, enforcement measures have been increased along Iran's borders where record seizures and arrests have allegedly been made.

Opium poppy cultivation in **Pakistan** last year continued in the more remote tribal areas of the Northwest Frontier Province (NWFP) where the central government exercises little control. Opium produced in Pakistan is either domestically consumed or is converted into heroin in local clandestine laboratories.

The government of Prime Minister Bhutto has indicated strong support for aerial eradication. Detailed plans have been developed to use the State Department Thrush aircraft during the spray season to extend eradication into areas where topography and lack of government control have limited access.

Mexico

Mexico is a major producer of opium and continues to be a primary source of heroin entering the United States. Current estimates by U.S. officials are that 1989 net production from Mexico totalled 85 metric tons of opium.

There are two types of heroin produced in Mexico—traditional Mexican brown heroin and black tar heroin, so-called because of its dark color and gummy consistency. Black tar heroin, a crudely processed, high-purity form of heroin, is a variation of the traditional brown heroin. Because of its relatively low price and high purity levels, black tar is now the heroin of choice in several cities in the Western United States.

Illegal opium poppy cultivation in Mexico is primarily dominated by small-scale farmers, some of whom are using advanced growing techniques, such as irrigation and improved seeds and fertilizers to increase crop production. Nevertheless, in many rural areas of Mexico, the cultivation of opium poppy has remained unchanged over the past 40 years. The increasingly prevalent practice of planting small, widely dispersed fields has made aerial eradication dangerous and difficult. Growers have also responded to the application of aerial herbicides by harvesting mature sprayed plants or by washing all plants with water immediately following spraying.

In recent years, traffickers have encouraged the production of illicit crops in non-traditional growing areas. Opium poppy, traditionally grown only in the tri-state region of Sinaloa, Chihuahua, and Durango, is now also found extensively in the states of Michoacan, Nayarit, Guerrero, Oaxaca, and Chiapas.

Heroin conversion laboratories are located throughout Mexico and are often, but not always, near cultivation sites. These heroin laboratories are usually no more than temporary set ups. The nature of illicit laboratories in Mexico makes their detection difficult; the laboratories are small, portable, and usually located in remote areas.

Heroin is trafficked through well-established smuggling lanes in Mexico. Transportation routes within country are numerous and fairly well maintained: vehicular/land smuggling is still the most favored mode for heroin traffickers to export their product from Mexico into the United States. Quantities of heroin smuggled continue to be relatively small, less than 1 to 3 kilograms average, which makes detection a difficult task.

One of the major problems of heroin enforcement has been the influence of Colombian cocaine traffickers in Mexico. The traditional Mexican heroin/marijuana trafficker, through the influence of the cocaine trade, has become a poly-drug trafficker, and is now using the established smuggling routes for cocaine. Most drug violators who deal with Mexican sources are able to obtain heroin, cocaine, and marijuana.

During the past several years, most Mexican narcotics traffickers have become involved in poly-drug trafficking by utilizing long established smuggling routes and methods. During the same time, representatives of the Colombian cocaine cartels have also used these routes to facilitate the delivery of large-scale cocaine shipments into the United States. There have also been strong indications that some of the traditional cocaine cartel members have expanded their operations to include trafficking in heroin. This development, ultimately, is expected to lead to increased heroin trafficking into the United States.

DEA's Heroin Operations

DEA's monitoring and other intelligence operations provided early and tentative indications of the significant developments regarding an increase in the heroin problem. Subsequent validation of these projects has resulted in initiation by DEA of a number of special enforcement programs and operations targeting major organizations involved in the trafficking of heroin into the United States.

Some of these activities began as early as 1986. Current special DEA efforts directly addressing the heroin situation are grouped into three major arenas:

•A focus regarding the increased trafficking of Mexican and black tar heroin into the United States, initiated in 1986, recently has been expanded to target opiates from Colombia and Guatemala, also.

This recognizes the strong nexus between the Mexican trafficking networks and the opium producers in Guatemala. It is now estimated that Guatemala in 1989 produced approximately 12 metric tons of opium. The processing of the Guatemalan opium into heroin hydrochloride has been occurring in the Mexican states of Chiapas, Guerrero, and Michoacan.

Activities of the Mexican Federal Judicial Police (MFJP) in 1990 against heroin trafficking have included the April seizure of 12 kilograms of heroin and a conversion lab at Los Mochis in Sinaloa, the May seizure of a sophisticated heroin conversion lab at Apatzingan in Michoacan, with related removal of nearly eight kilograms of heroin, the June seizure of three kilograms of heroin at Juarez, Chihuahua, and the arrest of an MFJP group leader and eight auxiliaries for taking a $50,000 bribe from a major trafficker.

•A long-term joint intelligence and enforcement program initiated in 1989 with an ultimate goal to decrease the availability of Southeast Asian heroin in the United States.

This program draws on resources from both within DEA and from other enforcement and intelligence agencies in the United States and overseas. This program has also funded several additional initiatives, such as a water interdiction program in the Andaman Sea and a financial investigations program directed at the Chinese underground banking system.

This specific program is a direct result of the increasing impact SEA heroin is having in the United States. The basic purpose is to cause the immobilization of the major oriental narcotics organizations that are trafficking SEA heroin to, and in, the United States. These enforcement activities are directed at the highest levels of those criminal organizations, and their goal is to disrupt the flow of heroin and to prosecute the trafficking groups controlling it.

During the third quarter of FY 90, which ended June 30, these activities were responsible for the arrest of approximately 161 primary traffickers, the seizure of over 639 kilograms of SEA heroin, and the seizure of over $2 million in currency and over $2 million in real property and other assets.

•A similar long-term joint intelligence and enforcement program, also initiated in 1989, to decrease the availability of Southwest Asian heroin in the United States.

The Southwest Asian heroin trafficking organizations in the United States are based primarily at the major ports of entry. However, the distribution networks filter into almost every other major city in the United States.

A significant increase in resources allocated to this program was made in the third quarter of FY 90. The impact of this funding, however, will not be reflected until the fourth quarter, or later.

Several more specifically focused enforcement activities are organized under this general program. One targets a major Venezuelan based Sicilian trafficking family that controls a heroin distribution network in the United States, Canada, Italy, England and Switzerland. Another is directed against the resurgence of clandestine heroin conversion laboratories in France and Italy that impact directly on the United States.

A third targets the highest levels of Nigerian/African criminal organizations trafficking in Southwest Asian and Southeast Asian heroin into the United States. The primary source of heroin for African organizations, primarily Nigerian and Ghanaian, continues to be Pakistan and India. Recently, however, Nigerians have been documented travelling to Bangkok to obtain Southeast Asian heroin for sale in Europe and the United States. The Nigerian heroin couriers are unique in the international drug scene because they are not inhabitants of a country close to source areas of opiate drugs. Instead, they travel from Nigeria in West Africa to the Indian subcontinent to obtain the drug and transport it to Western markets.

Nigerians emerged as heroin couriers in Europe in 1984 with the arrest of 159 Nigerians in possession of 31 kilograms of heroin in nine European countries - Austria, France, Federal Republic of Germany, Greece, Italy, Netherlands, Spain, Switzerland, and the United Kingdom. Over the last five years, there has been a marked increase in their activities in these countries. The existence of Nigerian communities in European and American cities provides the potential for drug distribution networks in countries on the two continents.

In summation, the seriousness of the heroin situation in the United States has increased progressively since 1980. Special monitoring programs initiated by DEA have tracked this more specifically during the past four years, and a corresponding increase has been made in current and significant enforcement activities directed against heroin trafficking.

Mr. Chairman, this concludes my statement. I appreciate this opportunity to discuss the worldwide heroin situation, as well as DEA's narcotic control efforts regarding heroin trafficking. I will be pleased to answer any questions you may have.

STATEMENT BY HERBERT D. KLEBER, M.D.

Mr. Chairman, I appreciate the opportunity to testify on the subject of heroin. While the control of the current epidemic use of crack cocaine remains our first priority, the history of drug use in our country over the past century gives us a clear warning that we always face the threat of a new drug epidemic. We must be vigilant if we are to be successful in preventing another outbreak of rampant drug use in the future.

That is why I am pleased that, even as we face a crack epidemic, we are giving serious attention to the threat of an increase in heroin use. There are good reasons for concern.

Reports from overseas indicate that there has been a bumper crop of opium in the past year, flooding the world drug market with an increased supply of illegal opiates. The DEA and other law enforcement agencies have detected an increase in the purity and the supply of heroin on our streets. Such circumstances alone are cause for concern. Yet what makes this increase in the purity and availability of heroin especially dangerous is its timing.

Every stimulant epidemic with which I am familiar has been followed by the increased use of sedatives. Stimulants like

crack cocaine wear people out. It often leaves them feeling nervous, paranoid, irritable, and restless. Stimulant addicts reach a point where they just can't take anymore. As a result, stimulant users often turn to sedatives like heroin to calm their nerves and to achieve a more mellow high.

Moreover, part of the allure of crack cocaine is that it is convenient to use because it is smokable. There are no dirty needles or risk of AIDS involved. The increased purity of the heroin on the streets means that it too can be smoked. Some drug users who previously stayed away from heroin from fear of needles and infection may now be more willing to smoke it.

Given the apparent increase in the purity and availability, the pattern of widespread sedative use following past stimulant epidemics, and the appeal smokable heroin may have to a drug using population used to smoking crack cocaine, I am indeed concerned that heroin may become a greater problem in the not too distant future.

Nevertheless, while I believe concern is warranted, alarm is not. Both history and the data I have seen suggest that while there may be a significant rise in heroin use in the next few years, the numbers will not be anywhere near the scale of the current crack epidemic. Two of our most important indicators, DAWN and DUF, have not yet shown a significant increase. Granted, it may

be that an increase in heroin use has not yet been detected, and its use may well go up in the months ahead. Nevertheless, the suggestion that we are at the beginning of a dramatic outbreak of heroin use is not borne out by the facts.

There are factors working in our favor. An increase in supply does not necessarily lead to an increase in demand. Currently, the use of all illegal drugs appears to be down. Epidemiologic surveys and other data indicate that, despite a perceived increase in the availability of cocaine and other drugs, fewer people are trying them and fewer people are using them.

I would attribute this in large part to the fact that drug use is becoming denormalized -- it is no longer tolerated they way it was in the 1960s, 70s, and early 80s. Americans now understand that drugs -- including heroin -- are dangerous, and that to use drugs is to risk losing your job, your health, your family. The nightmare of drugs is still too much with us; the general population is learning not to trust the Sirens' call of drugs, including heroin, that promise something for nothing.

Another factor in our favor is that heroin is still recognized as a dirty, highly addictive, and unsocial drug. Remember, the perception common when the cocaine epidemic began was that the drug was clean, easy to use, and not addictive. It is hard to imagine large numbers of influential men and women of Wall Street

or Hollywood doing heroin at pool parties. While it is not impossible that heroin could become glamorized and more popular among some groups, it does not easily lend itself to becoming the drug of choice.

The most recent data I have seen confirm this. Most of the people using heroin today began their use in the 1960s or 1970s. There are indications that the mixing of heroin and cocaine -- "speedballing" -- is not uncommon among a small number of cocaine addicts, but I am not aware of any information -- anecdotal or scientific -- that shows a rise in the number of non-habitual drug users who are initiating heroin use.

Granted, there are reports of modest increases in heroin addicts seeking drug treatment, and emergency room mentions and deaths. Yet the increase in the number of addicts seeking treatment is likely due to the aging of these addicts. The longer addicts are on heroin, and the older they get, the more likely they will seek treatment on their own or be compelled to seek it by the criminal justice system. The increased purity of heroin on our streets is probably responsible for the slight increase in emergencies and deaths attributed to heroin.

The picture I have painted of the possibility of a future heroin epidemic has been mixed -- some good news and some bad. Yet I do not advocate that we "wait and see" what will happen. It is

clear that the Federal Government can do a great deal to reduce the possibility that the Nation will face a significant upswing in heroin use. The first thing we must do is to monitor the situation diligently, and here we need much better data than we now possess.

In addition to continuing the DAWN and DUF indicators, we are undertaking major improvements in the Household Survey, the single best indicator of the Nation's drug use. We will conduct the survey more frequently -- annually instead of every three years. New surveys of major metropolitan areas will be conducted, as will surveys of previously under-counted groups, such as the homeless and the incarcerated -- where heroin use is more apt to occur. We also will continue to employ the Community Epidemiology Working Group, which helps us to pinpoint regional trends in drug usage as they occur, augmented by new "quick response" surveys which will help us to keep our finger on the pulse of emerging drug trends.

The threat of widespread heroin use in the 1990s is a good example of why long-term prevention and treatment efforts are needed. If lapses in our memory of previous drug epidemics are responsible for their recurrence, then prevention and education can provide new generations with the reasons drugs are bad and examples of the devastation drugs have wrought. Vigilance through the next century in this regard is imperative.

That is why the President's National Drug Control Strategy is seeking $1.2 billion for prevention activities, an increase of nearly 70 percent over two years. This money will be used to expand and improve prevention programs in schools and colleges, to support the creation of community partnerships that involve all sectors of the community, and that help public housing communities to expel the dealers and help young people lead drug-free lives.

Treating those who are already addicted to heroin and other illegal drugs is also a major priority in the President's Strategy. The good news is that we know a great deal about the treatment of heroin addiction. And the treatment system remains more geared to heroin treatment than to any other kind of drug dependence. To expand and improve the Nation's drug treatment system, the President is seeking $1.5 billion, a 68 percent increase over two years. This money, both block grants and categoricals, will increase direct aid to the States, and greatly increase projects to demonstrate ways to improve the quality of treatment -- through centralized intake systems, more effective coordination of citywide treatment programs, the development of large multi-modality treatment campuses, testing of innovative treatment programs for offender populations, and other methods -- administered through ADAMHA's new Office for Treatment Improvement.

In addition, the Administration is seeking legislation to greatly improve the accountability of treatment programs through State Treatment Plans, which will require each State to carefully and methodically assess its treatment needs and describe plans to meet those needs using Federal block grant funds. Without this legislation, the Federal Government has no way to ensure that increased funds will go toward an improved treatment system.

We are pursuing a stepped up program of research that will develop and test promising new methods to treat heroin addiction. Within the next few years we should have available for wide use medications such as LAAM, depot naltrexone, and buprenorphine, that will greatly improve upon our present ability to successfully treat those who have become addicted to heroin. The possibility of increased heroin use makes clear the necessity for continuing and expanding our medications development efforts.

Mr. Chairman, that concludes my statement, and I will be happy to answer any questions you or the members of the committee may have.

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